Bo

eo

ro

or.

EOUL

Ounce

d said

lizatio

s and

ustitu

red for

nancial

l to bu

lee

US.

Oh it's en in eyes on you as we bething m

e us irres

ree month

SAVEIGS for 1 year

· 37

41

33

40

32

32

87

41

40

44

41

33

34

26

48

Offer

ald Tribune even

onal Herald Tribi

Diners Club III MesterCard II

50



The World's Daily Newspaper

Paris, Monday, May 29, 1995



Two Serbian soldiers guarding a UN soldier from Poland on Sunday, one of hundreds of peacekeepers held by Serbs.

Beijing Suspends Talks With U.S.

By Steven Mufson

- China on Sunday susout again ever the decision to grant Taiwan's president, Lee Teng-limi, a visa to visit the United States.

st reaction yet to the per mutation in U.S. policy toward Taiwan, the Chinese government put off a June visit by John Holum, director of the U.S. Arms Control and Disarmament Agen-

The latest Chinese retaliatory moves touck on an issue dear to U.S. policymakers, who have been eager to persuade. Chima to stop missile sales to Pakistan or countries in the Middle East. U.S. negotiators have been pressing China to make public its past missile sales and appeared to have persuaded China to limit new

Nuclear energy cooperation is limited because of U.S. restrictions imposed after the Chinese military crackdown on protesters on June 4, 1989.

In a brief report from the official Xinhua news agency, a Foreign Ministry spokesman charged that the visa for Mr. Lee "infringed upon China's sovereignty, violated the principles of the three Sino-U.S. joint communiqués and brought serious damage to Sino-U.S. re-

China asserts that Taiwan is a province of the People's Republic of China and that the 1979 U.S. agreement to normalize relations with China means that the United States would downgrade diplomatic relations with Taiwan, ruling See CHINA, Page 4

Peres Calls Golan

Syrian Territory

TEL AVIV (AP) — Foreign Minister Shimon Peres said Sunday that the Go-

lan Heights was Syrian territory, in a

campaign to prepare Israelis for with-

Officials spoke of a growing consensus in Prime Minister Yitzhak Rabin's cabinet over the "heavy price" that must be paid for peace with Syria.

Mr. Peres was quoted as telling King

Hassan II of Morocco in weekend talks: "The Golan Heights is Syrian land."

Related article Page 2.

NATO's Cautious Expansion

drawal from the area.

PAGE TWO

THE AMERICAS

Crisis in Bosnia Deepens As Serbs Add to Hostages

By Roger Cohen
New York Times Service

SARAJEVO, Bosnia-Herzegovina -Bosnia's crisis deepened on Sunday as its foreign minister was killed and Bosnian Serbs stepped up their humiliation of the United Nations by adding 33 British and 8 Canadian hostages. Irfan Ljubijankic, 43, the Bosnian for-

eign minister, was killed when his helicopwas shot down by Serbian forces in Serbian-occupied Croatia, government of-ficials said. The United Nations said the helicopter was downed by a missile.

Rebel Serbian forces in Croatia admitted that they had shot down the Bosnian helicopter near the Bihac enclave. A rebel Serbian statement said the helicopter was fired on near the Bosnia-Croatia border early Sunday because it was violating the "airspace" of the self-styled Serbian re-public of Krajina in Croatia. Mr. Ljubijankic was one of three co-

presidents of the governing Muslim na-tionalist Party of Democratic Action. His death came as separatist Serbs, ap-parently emboldened rather than cowed by at several UN observation posts near the eastern Bosnian town of Gorazde. "The Bosnian Serb army is behaving like

a terrorist organization," said Alexander Ivanko, a UN spokesman. It was the first time that the United Nations had referred to the Bosnian Serbs as terrorists, but this did not diminish the Serbs' apparent seizure of the political and military initiative. The Serbs are now defying the two larg-

est contributors of troops to the peace-keeping force — Britain and France. A total of 173 French troops are believed to be hostages or human shields in an attempt - successful until now - to deter further NATO military action. Eight Canadians were also detained Sunday.

European Union foreign ministers are due to meet in Brussels on Monday, and NATO foreign ministers in the Netherlands on Tuesday. It appeared unlikely that a decision on new NATO air attacks would be make before these meetings. In the beleaguered Bosnian capital, Sa-

rajevo, whose streets have emptied since shelling of the city resumed last month, the

two NATO air strikes near their strongtenant General Rupert Smith, awaited pohold of Pale, took British soldiers captive litical instructions Sunday from Western capitals on whether to attempt negotiation or use further force in order to secure the release of a total of 326 hostages. A UN official said 296 were UN soldiers and 30 were unarmed UN military observers.

"We have no problem with going either way - escalating or backing down - but we need some clear word," an official close to the general said.

General Smith, a British officer, spoke Sunday to General Ratko Mladic, commander of the Bosnian Serbs, and found him deeply irrational, the official added. General Mladic accused General Smith of breaking UN resolutions, being a pawn to the Bosnian government and bombing Ser-bian hospitals and schools.

The two generals had a particularly sharp exchange over the battle on Saturday between a Bosnian Serbian commando unit and French peacekeepers for control of a UN emplacement on Sarajevo's central Vrbanja bridge. The clash started

See BOSNIA, Page 7

Outraged West: Looking to Save Face

By Joseph Fitchett motional Herald Tribune

PARIS - France and Britain, although voicing outrage, appeared Sunday to have their hands tied in Bosnia.

Officials said that the hopes of both governments were pinned on a two-step process in which Russian intervention would free the scores of United Nations peacekeepers now held hostage by the Bosnian Serbs and clear the way for a redeployment of the peace forces with a view to limiting the risk of future humiliation.

"We're going toward smaller, more concentrated deployments because nobody wants any of the alternatives," a policymaker involved in Western consultations on Bosnia said Sunday.

The other options are stepped-up use of NATO military strength or the withdrawal of UN forces. European officials seem to have concluded that either course of action would escalate hostilities — the ultimately unacceptable alternative for Western governments, including Washington.

[Britain said Sunday that it would crease its deployment of troops to Bosnia as soon as possible and "utterly condemned" the seizure of British peacekeepers by Bosnia forces, Reuters reported

AGENDA

["The Ministry of Defence will be sending two artillery batteries and an armored best between them to end hostilities to avoid further." engineer squadron to Bosnia as soon as possible," the government said after an emergency cabinet meeting.]

Prime Minister Alain Juppe of France said Sunday that France saw no realistic military options beyond strengthening the position of the peacekeeping forces so that they could protect themselves against any repetition of what he called "the barbarity of the Bosnian Serbs."

While a redeployment along the lines suggested by Mr. Juppé could preserve a face-saving presence for UN forces, it would mean that the Bosnian Serbs had succeeded in their boldest defiance yet of the international community, particularly Europe and the United Nations. As far as the French and other hostages

were concerned, Mr. Juppé conceded that immediate hopes were pinned heavily on international pressure, including the influence of President Boris N. Yeltsin of Rus-

Russia's foreign and defense ministers were still in Moscow Sunday, Agence an forces. spokesman as saying. Earlier, Prime Minister Viktor S. Chernomyrdin said Russia, in response to requests by European governments, was sending the two men "to meet the leaders of the warring parties in

NATO air strikes."

Mr. Juppé, often sounding defensive in a television interview Sunday, opposed more NATO air strikes of the sort that France supported last week until the hostages were taken. "We'd be better off without any more of them now that we've seen what they cause," he said.

The fundamental reality of Western policy in Bosnia, he said, was that no outside party is ready to use force to take back the Bosnian Serbs' gains — not Europe, not the United States, not Russia. A fiasco in Bosnia will be the worst blow

yet to the United Nations' claim to be able to command military units, even for peacekeeping. But NATO and the United States will also be damaged by a surrender to the latest acts of the Bosnian Serbs.

A move to pull back the UN peacetirepers into a tighter circle around the Bosnian capital, Sarajevo, would expose the outlying Muslim-populated enclaves in eastern Bosnia to being overrun by Bosnian Serbi-

same mistake as Saddam Hussein when he used hostages as human shields and portrayed himself as inhuman and bestial, but

See EUROPE, Page 7

Kantor Says There's Time To Resolve Auto Dispute

WASHINGTON - Mickey Kantor, the U.S. trade representative, said Sunday that Japan had not yet ruled out discussions in late June aimed at resolving the U.S.-Japan trade dispute on automobiles.

"We have plenty of time to resolve this issue," Mr. Kantor said in a televised interview, denying reports that the Japanese had rejected the idea of recommencing talks next month. He said Tokyo had neither accepted nor rejected Washington's offer to meet. The two economic powers sharply disagree over who is to blame for the failure

of U.S. automobile and auto-parts makers to penetrate the Japanese market. Twenty months of negotiations have left the issue mresolved. An order by Washington that would double U.S. tariffs on 13 Japanese luxury

automobiles is set to go into effect on June 28, and Mr. Kantor has offered to hold new talks in Washington on June 20 and "The Japanese want to meet with us," he said. "They sent us a letter. We said we would meet with them. We want to meet

after the G-7 so that doesn't turn into a

bilateral dispute."

The Group of Seven industrialized nations, including the United States and Japan, is due to meet in Halifax, Nova Scotia, on June 15, 16 and 17.

Mr. Kantor accused the Japanese of disseminating "wonderful propaganda" suggesting that American automakers did not send right-hand-drive cars to Japan, or those designed to be driven on the lefthand side of the road. As in Britain, drivers in Japan keep to the left.

Mr. Kantor said that a majority of U.S. auto types shipped to Japan were righthand-drive vehicles.

"Frankly, we could put the steering wheel in the trunk and the Japanese would not allow us to sell it in Japan," he said. On the same news broadcast Sunday,

Newsstand Prices ...9.00 FF Luxembourg...60 L Fr Carla Hills, Mr. Kantor's predecessor who served under President George Bush, was sharply critical of what she characterized as overly aggressive White House tactics. At one point, she said it was wrong to "bully" Tokyo, adding that the United States risked eroding its global credibility "in a very dangerous way."

Mrs. Hills noted that many Asian and European governments opposed steps by Washington that they saw as undermining the fledgling World Trade Organization, and she agreed that Mr. Kantor's plan to impose tariffs unilaterally could weaken the new trade body.

Another critic on Sunday was Senator Bill Bradley, Democrat of New Jersey, who is viewed as one of the Senate's experts on trade. He said that the United States needed Japanese help and support in dealing with Russia, China and North Korea and that the trade stance could undermine Japan's willingness to ally itself with Washington. An alternative to tariffs, he said, would be the launch of a new "Clinton round" of talks on trade competition policy.

Mrs. Hills said U.S. policy toward Japan on trade issues should be "very focused, very persistent," but should not undermine the domestic political standing of Japanese

egotiators. Warren Brown of The Washington Post eported earlier:

8 Billion Cigarettes Recalled BUSINESS/FINANCE Dollar Again at the Precipice

Part of the problem is simply that of where and when new talks might be held. Japan is seeking consultations with U.S.

See KANTOR, Page 7

Page 6. Sports Pages 19-21. Books Crossword Page 4. Page 11. International Classified

FLYING AT INDY — The legs of Stan Fox dangling from his car during a first-lap crash Sunday with Eddie Cheever at the Indianapolis 500. Jacques Villeneuve won the race after Scott Goodyear was penalized. Page 21.

A New Stadium Activity: Revivals for Christian Men

By Laurie Goodstein Washington Post Service

WASHINGTON - More than 52,000 men paid \$55 a piece for a seat at RFK Stadium and the secrets to becoming a successful modern man: Don't cheat on your wife or your taxes, hug other men, kiss the children, read the Bible at bedtime and invest in God.

A burgeoning Christian men's move-ment called Promise Keepers has made saving souls a masculine pursuit - especially for men inclined to believe that church is the province of women and chil-

Promise Keepers packed RFK Stadium

here for 13½ hours of preaching, praying and hymn singing on Friday night and all day Saturday; the group expects to draw half a million men to stadium-sized evenus in 13 cities this year.

"You don't come here and feel like you're losing your masculinity because of your faith," said Tom Berlin, 31, pastor of a Methodist church.

Surveying the crowd, Mr. Berlin mar-veled that while every small worship group he has started in his church drew about "10 women and two men," he had had no trouble rounding up 15 men for the Promise Keepers weekend.

"Here, you come hear male role models, event scheduled for the East Coast.

real men," Mr. Berlin said. "Most men are looking for role models, for heroes."

Promise Keepers has caught on like a tent revival in summer since Bill McCanney, the former University of Colorado football coach, and a friend first envisioned packing sports stadiums with men rooting for Jesus to seize their souls.

The first conference in Boulder, Colorado, in 1991 drew about 4,200 disciples. It remained a Colorado event until last year, when Promise Keepers visited seven cities, attracting 278,000 men. This year, the group has already sold out

tickets to seven of its 13 events. The Washington weekend was the fig., and only

Until now, Promise Keepers has been a bigger phenomenon in the South and the West, strongholds of conservative, evangelical Christianity.

Few religious revivals have such reach. The event here drew lunch-bucket men and expense-account men, white carpenters and black accountants, teenagers and grandfathers. They wore ponytails and buzz cuis, cowboy boots and sandals. They arrived by subway and motorcycle, in charter buses and minivans.

"You came here empty. You came here confused," the evangelist Luis Palau told the crowd, his image reojected on screens

See MEN, Page 7

Thousands Trapped as **Quake Hits** Russian Isle

By Lee Hockstader Washington Post Service

MOSCOW — A powerful earthquake rocked a large island off Russia's Pacific Coast on Sunday, flattening a remote oilproducing town and trapping several thousand residents beneath collapsed apartment blocs.

It was unclear from sketchy reports reaching Moscow how many people had died in the quake measuring 7.5 on the open-ended Richter scale, which struck the town of Neftegorsk on the Russian island of Sakhalin in the middle of the night. Russian officials said most of the town's

population of about 3,200 people had been buried in the rubble of five-story apart-ment buildings. By Sunday evening 70 bodies had been recovered from the debris as rescue efforts gathered speed, officials said. Hundreds more were believed in-

President Boris N. Yeltsin asked for updates on the disaster every 30 minutes, according to Russia's first deputy prime minister, Oleg N. Soskovets. Mr. Soskovets, who was coordinating the crisis response in Moscow, was to fly late Sunday with a team of officials to the scene of the disaster, located eight time zones and more than 6,500 kilometers (4,000 miles) east of

"I think this is the worst earthquake ever in Russia," Mr. Soskovets told Reuters news agency in Moscow, "It is a calamity. Judging by the nature of the destruction and the potential number of victims, it looks like the most terrible."

Raisa Mikhailova, a municipal spokes-woman in the district center of Okha in northern Sakhalin told The Associated Press that at least several hundred of the 3,000 or so people who were buried in the earthquake were saved by rescue teams or escaped to safety.

The quake's epicenter was about 145 kilometers south of the town of Okha in northern Sakhalin, along the coast, the Emergency Situations Ministry said. Neftegorsk is about 70 kilometers south of Okha. There were reports of some damage

See QUAKE, Page 7

Account to the contract of the THE RORLLIS DAILY NEWSPAPER

Moving Cautiously on NATO Expansion Eastward

By Joseph Fitchett International Herald Tribune

ARIS - It started at ceremonies inaugurating the Holocaust Museum in Washington in 1993. "Somehow the occasion gave Bill Clinton a sense of history for the first time and planted the seed that the alliance had to embrace Eastern Europe so war could never start again there," according to an American official deeply involved in the international debate about enlarging the North Atlantic Treaty Organiza-

"Europeans keep getting it wrong because they don't understand that the president has been forward-leaning on this all along, even when the rest of this administration was made up of Russia-firsters uncomfortable with the idea." he added

Other officials in Washington agree that Mr. Clinton — or Vice President Al Gore or W. Anthony Lake, the national security adviser have repeatedly intervened to keep up the momentum of a campaign that has unsettled many European allies and angered Russia.

But the plan has enthusiastic support among the candidate members in Eastern Europe. Starting in 1993 in Washington, the pleas by President Lech Walesa of Poland and President Vaclav Havel of the Czech Republic have constantly fueled Mr. Clin-

Poland is the key country in this regard because of its size and location, large armed forces and troubled history with its neighbors. "All we really need is Poland," according to a Enropean official at allied headquarters, "but nobody can say so because that undercuts the helping consolidate democracy in the whole region."

T is typical of the ambiguities that have made the enlargement process so elusive. often for the allies and certainly for Moscow. A combination of uncertainty about U.S. determination and concern to avoid offending the Russians has kept the alliance from asking the obvious questions: How much will it cost? Does enlargement carry a nuclear guarantee for new members? Will these East European forces buy U.S.-made weapons? Will they provide significant military reinforcement for international intervention?

Most surprising of all, the debate - potentially the most important item of diplomatic business since the end of the Cold War — has not become public, even among most legislators. When the Senate last month held the first hearings on the topic, opponents asserted that enlargement of NATO would endanger

security in Europe, not secure it.
"To expand NATO's membership without a new understanding of what the Western alli-ance is all about displays the same kind of logic that leads a couple in a deeply troubled marriage to forgo marital therapy and have a baby instead," a former American official said.

Another critic testified that enlargement could jeopardize U.S.-Russian cooperation on nuclear questions, the main security prob-

A study group at the Council on Foreign Relations recommended recently that NATO should go to the brink of acquiring new members and then make actual enlargement contingent on Russian behavior.

members would be denounced as provocative - and probably come too late anyway.

These arguments have been championed by the Republican majorities in both houses of Congress and by such strategists as Henry A. Kissinger. They want Mr. Clinton to insist that allied governments move promptly on enlargement.

American officials said last week that Washington seemed set to deliver. Since the Moscow summit meeting last month between Mr. Clinton and President Boris N. Yeltsin of Russia, these officials say that the White House has sent an unmistakable signal to allies, candidates for membership and Russia that the United States is determined to see NATO expand, perhaps as early as next year.

HILE Russia has not acquiesced, Mr. Yeltsin, after discussing it with Mr. Clinton, promised that his country would sign up for limited cooperation with the alliance at a meeting of NATO foreign ministers this week in the Netherlands.

That meeting is also supposed to square the diplomatic circle of moving toward talks with candidate countries and finding a way to reassure the Russians that their security needs are not being ignored.

The formula involves creating a special relationship for Russia with regard to NATO, giving Moscow what one official calls "a voice but not a veto" in allied actions on European

On the one hand, NATO does not want to scare Moscow into trying to recover military influence in neighboring countries, especially Ukraine. But the alliance also wants to avoid letting Poland, the Czech Republic and other new democracies feel that NATO ultimately recognizes some kind of Russian authority

To keep this balance, a formula was worked out last December in Moscow by Mr. Gore and Prime Minister Viktor S. Chernomyrdin that the two tracks should be kept "in parallel" — NATO talks with Russia and NATO talks among allies and, this fall, with prospective new members.

But pro-enlargement officials in Washington and Brussels said recently that the discussions in the "Russia track" had moved farther than the debate among allies. Contrary to appearances, "they have told us a lot of what they want: no NATO troops in new members, no nukes in those countries, and no exclusion for Russia from future weapons purchases by those governments," according to an Ameri-

Meanwhile, there have been no official meetings between the commanders and strategists of allied countries and East European countries to discuss the implications of membership. "We're not talking to anybody yet until the allies have worked it out among ourselves and then we talk to everybody. Assistant Secretary of State Richard C. Holbrooke said recently.

Mr. Holbrooke, after a brief tenure as ambassador to Germany, was brought back last year, insiders say, mainly to be a point man on enlargement, since the lead policymaker on Europe, Deputy Secretary of State Strobe Talbott, has the job of staying on good terms with the Russian leadership.



American and Polish soldiers during a training exercise in Poland last autumn.

of trying to ensure a Senate majority to ratify a NATO enlargement package once it is ready, including the question of a U.S. nuclear guarantee to new members.

Advocates of enlargement have argued that the NATO charter is ambiguous enough to allow the White House to duck hard questions about precise military commitments.

But an American official at NATO said recently that public opinion took a more commonsense view. "Visiting Americans are enthusiastic about expanding NATO." he said, "but if someone mentions the nuclear question, they tend to say: 'Oh, I'll have to think about that one."

OR European governments, the unanswered questions loom even larger because enlargement is liable to dilute some traditional aspects of an alliance that worked so well during the Cold

"It may not actually dilute anything but jobs, but certainly it will transform the alliance in ways that will be challenging," according to Ron S. Asmus, an analyst at the Rand Corp. in California and one of the most articulate U.S. proponents of enlargement.

While new members could count on NATO as a bulwark if Russia reverts to a hard-line regime, the alliance will also expect the new entrants to join in peacekeeping operations Depending on how far and fast integration proceeds, the best estimates of cost run upward of \$50 billion in the next five years not much in the realm of defense spending but a sizable sum for budget-conscious democracies.

That figure also works on the assumption which no official will utter publicly — that NATO growth will proceed in stages. In this century, only Poland, the Czech Republic, Hungary and perhaps Slovenia seem likely to be admitted.

Behind the scenes, many Western strategists would be more comfortable if the alliance admitted only Poland, the key nation, and the Czech Republic, which has longstanding ties with the West. But a larger intake seems unavoidable, officials say, because the alliance says that the purpose of enlargement is to reinforce stability in all the new democracies that qualify for membership.

"It's part of the credibility problem which the West has caused for itself with overgenerous rhetoric toward all the countries in the former Soviet bloc," a British official said.

For that reason, European governments have urged Washington to tell the Russian leadership bluntly that their country is too big to be in NATO and too important to ignore.

This tough-minded warning from the allies seems to be a sign that they are starting to

Spanish Centrists. Lead Regional Poll

MADRID - The centerright Popular Party appeared to be headed for victory over Prime Minister Felipe Gonzalez's governing Socialists in regional and municipal elections Sunday that are widely seen as a preview of general elections sometime next year.

Exit polls conducted by four organizations indicated that the Popular Party would control at least seven of the 13 regional governments being contested, up from two in 1991.

But a spokesman for the Popular Party, Mariano Rajoy, said his party was leading in 11 re-

gions.
The Popular Party has won a clear victory," Mr. Rajoy said. These are not definitive figures, but we can say clearly that we have won the elections."

The exit polls indicated that the Popular Party had won control of a majority of Spain's 10 largest cities, excluding Barcelona and Bilbao. Madrid, the leader of the Popular Party, José Maria Aznar, policied during the campaign the campaign the campaign that the popular party is a special premained under the popular party. der Popular Party control.

nal results would give his party a plurality in at least 41 of Spain's 52 provincial capitals with the Socialists winning a plurality in just four or five cap.

The Socialists, who have held the national government in Madrid since 1982, control seven of the 13 regions and govern another in coalition.

An exit poll for Antena 3 television said the Popular Party would win an absolute ma jority in the regions of Madrid Castilla y León, Castile-La Mancha, Murcia, La Rioja, and Navarra, where it ran on a joint ticket with a regional party.

The poll said the Popular Party won a plurality in the It. gions of Aragón, Cantabria and Valencia.

Independent exit polls conducted for state television and radio and several private radio

a strong showing Sunday would The Socialists now control 13 of Spain's 20 largest cities, versus 3 held by the Popular Party.

Mr. Rajoy predicted that fi-

Murdoch Will Wait On Italian TV Offer

By Alan Friedman

MILAN --- Rupert Murdoch will wait until after Italy holds its referendum on the future of the television sector before deciding whether to make a formal offer for former Prime Minister Silvio Berlusconi's television networks, according to an adviser.

The aide, who requested anonymity, said that before going ahead, Mr. Murdoch was trying to better understand the shape of Italian politics as well as the finances of Mr. Berluscom's debt-laden Fininvest group. He said Mr. Murdoch trav-

eled to Rome last week for a luncheon meeting with Mr. Berlusconi "not so much to negotiate, but to eyeball Berlusconi and try to get a light on him." Mr. Murdoch is also believed to have contacted Gianni Agnelli, the Fiat chairman, to ask his

The referendum on June 11 could force Mr. Beriusconi to sell two of his three Italian tele- try experts believe that Mr. vision networks. For the past Mardoch's negotiating position two weeks, ever since Mr. Berwould only strengthen if Mr. luscom's company said it had Berluscom were to lose the ref-

from Mr. Murdoch's News Corp., the prospect of an offer has featured prominently in the Italian political debate.

Mr. Berhisconi's political opponents have accused him of anipulating the talks with Mr. Murdoch to stir up hationalist sentiment in order to protect his

The Murdoch adviser made clear in a telephone interview on Friday night that includes bid has been made, and that the due diligence examination of Fininvest's financial accounts had not yet been completed.

Mr. Mardoch, meanwhile

said in an interview published Sunday in La Stampe newspaper that he hoped a deal might be concluded in the next three months. "Our intention," he was quoted as saying would be to acquire all three televisor networks. And if the referen dum allows it, we would keep them together and search immediately for an Italian partner

to take up 49 percent." received a \$2.8 billion offer erendum on June 11.

Ostracized in Zaire: Relatives of Ebola Victims sister was being moved from to your family and having this Ward 3 to Ward 2 in the over-spread further." Miss Kinkasa said as wary on- of his sister, who told her broth-lookers gathered in the dis- er to tell a visitor only that their

By Howard W. French New York Times Service

KIKWIT. Zaire - For Casongo Malele, the news that her

UNIVERSITY DEGREE BACHELOR'S • MASTER'S • DOCTORATE For Work, Life and Academic Experience Through Convenient Home Study (310) 471-0306 ext. 23 Fac: (310) 471-6456 Fax or send detailed resume FREE EVALUATION

Pacific Western University 600 N. Sepulveda Blvd - Dept. 23 Los Angeles, CA 90049, Bathroom freaks

love us #R GENEVA

HŌTEL DU RHŌNE our of The Leading Hotels of the World • Tel. (4122) 731 98 31 Fax (4122) 732 45 58

taxed hospital here, the epicenter of Zaire's Ebola virus epidemic, was a sign of hope.

Like nearly everyone in this city of 500,000, Miss Malele, a 24-year-old student, had come to regard Ward 3 as a sort of terminus for those stricken by the disease, whose symptoms of bloody diarrhea and vomiting

are known and dreaded by all. "You have to avoid touching their blood, their saliva, their vomit or their stools," Miss Malele explained, confident that, with her mastery of these precautions, she would soon be given gloves and a mask and allowed to enter the ward to see her older sister, a nurse-trainee.

What she had not been told was that Ward 2 is not a place of convalescence for the small number of people who recover from the deadly virus, but rather another place for the dying. Doctors said Ward 3 had become too small to handle all of

Ebola's emaciated victims. "If you go in there, you don't come out, and that's that," a nurse firmly told Miss Malele as she waited just behind a taped cordon outside Ward 2. hoping to go in and see her sister. "We can't take the risk of

Left unsaid was that Miss Malele's sister, like the 160 or so other confirmed or suspected victims, was unlikely to recover.

Julienne Kinkasa, who used a narrow spade to shovel dusty soil onto her mother's coffin at nearby roadside cemetery, had already learned that lesson. Working under a merciless sun and stopping every few mo-ments to cry, Miss Kinkasa ex-plained how her mother had contracted the disease from her sister Solange, who is also a nurse and was Miss Malele's sister's best friend at Kikwit

roday it is my mother, on the 16th it was Solange," Miss Kinkasa said, pointing to the nearby grave of her sister. A slight protrusion of soil it was adorned only with a crude wooden cross and the empty boxes of medicines that had failed to save her.

Miss Kinkasa, 30, wearing gloves and a mask, spoke of another hard truth absorbed by people related to those stricken the epidemic: Most have been chased away from their homes by frightened neighbors, and are scorned as if they were damned.

"The disease has already takyou carrying the disease home en from me those I love most."

lookers gathered in the dis-tance, many of them shielding mother had died of "trembling are too afraid to even sell me listen.

Geneva who has been piecing malaria drug. together the chain of transmission of the Ebola virus.

announced Friday.

"My mother died at 10 this morning," said Mula Kinvita, a 29-year-old man who was The toll in Zaire's epidemic The toll in Zaire's epidemic room mud house.

ACCESS NUMBERS COUNTRIES

their faces with clothing. "I am disease," Mr. Kinvita explained not worried for myself. What the progression of symptoms. hurts most is that we have been As he spoke, fearful neighbors abandoned by society. I am gathered around the perimeter hungry right now, and people of their small plot of land to "She got sick with a fever on

For the doctors and international experts who have con-worse," said Mr. Kinvita. His verged on this town 300 miles mother's body, wrapped in a east of Kinshasa, the capital, sheet, was visible through a these are the last scenes of a back window. "Yesterday she fading though still-mysterious started vomiting and having diarrhea, and when we woke up "The outbreak is pretty much this morning she was trembling finished," said Guanael Rodier, I gave her aspirin and nivaan epidemiologist from the quine, but then she just died." World Health Organization in Nivaquine is a common anti-

Just down the road, the ostraon of the Ebola virus. cism suffered by the victims' After a three-week period in relatives could be felt everywhich doctors identified about where. In one courtyard, where 160 confirmed or suspected girls and young women, their cases of Ebola infection, only heads shaven in mourning, six new cases have been report- pounded cassava for their dined in Zaire over the last week, ner meal, all insisted that their the World Health Organization father had died last week from

29-year-old man who was The toll in Zaire's epidemic found vigorously washing his of Ebola virus rose to 122 Sunpink-gloved hands in a shallow day when a sixth Italian nun plastic bowl in front of his one- died in Kikwit after contracting om mud house. the disease caring for the sick, home and abroad, how Speaking over the objections Agence France-Presse reported. Rabin froze the plan.

ACCESS NUMBERS COUNTRIES

itoly +

Jerusalem Is Israel's, Rabin Says

JERUSALEM — Israel marked 28 years of rule over Jerusalem on Sunday, vowing to fight for its claim to the whole of the city as its capital.

While Israelis held flag-waving marches and tributes to fallen soldiers, Palestinians, who view Arab East Jerusalem as the capital of their own future state, staged protests on Israel's "Jerusalem Day."

bin's cabinet said in a statement: "The government will act to reinforce the status of united Jerusalem as the capital of Israel alone and will fight any attempt to harm this status.' The Palestine Liberation Or-

ganization called Israel's celebrations "another obstacle" on the road to peace. Passions over Jerusalem have been inflamed in the last month by Israel's announcement that would confiscate Arab land

for Jewish housing and a police

station. Under pressure at

home and abroad, however, Mr.

177-102-2727

0066-55-877

172-1877

ACCESS NUMBERS COUNTRIES

TRAVEL UPDATE

Australia's New Lure to Asia: Culture SYDNEY (Reuters) - Australia is set to embark on a \$72 million publicity campaign to persuade Asian tourists that the country is not a cultural desert with a "rock in the center," but that

it has a rich artistic landscape worth seeing. The three-year campaign, to begin next September, will also un in North America and Europe but faces its biggest challenge in Asian countries, where people do not believe Australia has any culture at all, a senior tourism official said.

Where we are considered to be absolutely zero in terms of culture" is with the Japanese and the Asians, the managing director of the Australian Tourist Commission, Jon Hutchison, said. He was speaking at the end of the weeklong Australian Tourism Exchange, where for the first time ballet and opera companies were featured among the 370 exhibits.

Road transportation across Bangladesh was affected Sunday as thousands of transport workers, including drivers, joined in a 48-Prime Minister Yitzhak Rahour strike. The striking workers demand that a law providing for three years' imprisonment of drivers who are responsible for deaths in road accidents be scrapped. They also want the accom-

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependences the week because of national and religious holidays:

MONDAY: Britain, Central African Republic, Co co, Syria, United States, Venezuela. TUESDAY: Babrain, Croatia, Turnisia. WEDNESDAY: Brunei, Indonesia. THURSDAY: Azerbaijan, China, Kenya

FRIDAY: Behames, Bhuten, El Salvador, Hong Kong, Macao, Si SATURDAY: Malaysia

ACCESS NUMBERS COUNTRIES

ACCESS N

2200.22

001-999-13-877

1-800-677-8000

B00-131

- 14 M

A SIMPLE CURE FOR THE FEAR OF FOREIGN PHONES.

241233 016 854 1033 1 0234

To call, just dial the Access Number for the country you're visiting, and you'll reach an English-speaking Sprint Operator COUNTRIES

1-800-366-4663 8-10-155 1-800-5511-10 1-800-881-877 **022-903**-014 1-800-389-2111 ECO-7:7 1-800-877-8000 1-800-623-3877 0900-3333 6108-900 00-200-1010 1-800-366-4683 00+0317

0800-0013-0123

1166#77 356-4777 004-890-100-3 1940007 Koreo (KT) 44 . 950-1366 800-1877

99-385-0113

0042-087-187

1 **4** 197 0800-121 95-800-877-8000 06-022-9119 001-800-745-1111 000-999

Soudi Arabia

Portugal + Puerto Rico

07-800-0877 155-6133 8095-155-6133 1-235-0333 172-1877 קקו.ללו-2000 9042-087-187 9-800-99-0001

800-1

105-16

05017-1-877

Sprint. To order a free FONCARD ...

CALL COLLECT TO THE U.S. 15 212-248-0295

rg f S

ıtr

ive set a t

flation for il reports at goal ma

eir grasp, oducts a r ond straig Bond Sal

China has llion ove

ned at fina

gest dam

tap its own

erves, a

vs service :

loomberg t from Bei The sale of i

iction of t

m had beer

Il Street in

mill Lynch

Stanley & a Securities

eoul'

roug

or Bo

EOUL - S.

ounced a

cage of mea

ing up its

ket by buyi

itities of no

ing new stoo

ie Finance

d said the

lization fun

ng shares M blic sales o

s and new i

institutions

ned for the th

'ear will be r

nancial insti

to buy mo

sell, and the

s will be cont

ing down sh

n't

IIS.

leeti

Oh it's excitin

ir eyes on us. ?

you as well C

nething more se

e us irresistib

ree months, or

tand price! So

41

32

50

40

33

48

Offer

ald Tribune every day

onal Herald Tribune).

Diners Club D VISA MasterCard D Euro

; at current exchange n

3 mont +2 wee FREE

1.80

4,20 1.05 59

65

145,000 4.200

14,000

14,500

14,500

1.000

185

900

Agence Fra

Will Wa

TE IE

The Same

ರ್ಷ ಆಗಿತ್ತ

11.50

F 72

- PTC 12 (22)

e de tracia

्राम्यः -

TAIN

The state of the s

27,

マインケンを変わ

1 1 1 1 1 1 1 1 1

कार अञ्चल **अ**स्ति

e verifi

>8 Billion Cigarettes Recalled by Maker

By Sharon Walsh and Curt Suplee Washington Post Service

WASHINGTON — Philip Morris Cos. has recalled 8 billion eigarettes — including the most popular brand sold in the United States, Marlboro - saying that a contaminant in the cigarettes' filters had produced a toxic channeal that is used as a

Philip Morris's president, James J. Morgan, said it was possible that the contaminant had not reached any cigarettes later distributed to retail outlets.

But because the company could not be certain of that, he said, it had decided to recall all of the brands involved and will refund customers' money.

The chemical, methyl isothiocyanate, or MITC, may cause eye, nose and throat irritation, dizziness, coughing or wheezing. Mariboro is also one of the largest-selling brands overseas, but the company said none of its cigarettes sold internationally had been affected.

The company, which makes a billion cigarettes a day in the United States, said it was the first time it had ever issued a recall, and analysts said they could not remember another recall in the industry.

Other Philip Mooris brands involved include Benson & Hedges, Merit, Virginia lims and Basic.

Employees of Philip Morris first noticed an unusual odor coming from the raw materials used to make filters in its plant in Cabarrus, North Carolina, on May 19, according to Richard Carchman, director of scientific affairs for the company.

The company's other two factories, in ouisville, Kentucky, and Richmond, Virginia, were notified, shut down and cleaned out after the discovery, he said. All cigarettes already produced were held at the plants instead of being sent to wholesalers and retailers.

"We were just barely able to measure the MITC," Mr. Carchman said. "It was an infinitesimal amount. But as a precautionary matter, we decided to pull back all the materials we'd sent out in the last week or

Mr. Carchman said that even if the chemical had not been one that would irritate smokers' eyes and noses and cause coughing and wheezing the company would have recalled the cigarettes because those containing the substance would taste and smell bad.

But, according to an August 1994 paper in the medical journal Chest, "since MITC may cause irritant effects at levels below the odor-detection threshold, odor detection is not a reliable marker of exposure."

Denise Keane, Philip Morris's general counsel, said there had been no signs of illness or complaints from consumers. The contaminant was brought into the

company in a raw material bought from Hoechst AG's U.S. Celanese unit, an outside vendor to Philip Morris, officials said. Rebecca H. Barfield, a CS First Boston Group financial analyst who follows Philip

Morris, estimated that the recall would cost the company \$250 million or more. Philip Morris's stock fell \$2 Friday, closing at \$69.875 on the New York Stock



FLOOD THREAT — Volunteers and prison inmates reinforcing a levee in Meredosia, Illinois. As rain fell and the Illinois, Missouri and Mississippi rivers continued to rise, residents in some parts of the Midwest were evacuated.

Republicans Hope Success Breeds Success

By Adam Clymer New York Times Service

WASHINGTON — In their five months in control of Congress, the Republicans have lost only one big vote that they expected to win, when the Senate resisted the balanced-budget amendment. Yet, this city is. constantly alert for signs of disarray and division, wondering if the moment of collapse is at

Not to worry. Or, if your sympathies are with the Democrats, not to hope.
As they left for Memorial

Day parades, presidential campaign fund-raisers and any potential crosses between the two (like Newt Gingrich's New Hampshire Moose Watch), Republicans in both houses could boast of their budget resolu-

The House of Representa-tives and the Senate had passed similar documents aimed at undoing much of what the federal government has become since the New Deal, and at balancing the budget in the year 2002.

The two chambers may not be in lockstep on tax cuts; and there may be some uncertainty about how broadly to exert congressional authority over details of foreign policy, which Republican presidents used to tell Democratic Congresses not to mess with But these are trivial compared with the remarkable unity Republicans continue to

In the House this month, all but one of the 231 Republicans voted for the budget resolution, joined by eight defecting Dem ocrats. In the Senate, the 54 Republicans were unanimous, and three Democrats descried their party to join them.

amendments at all, and in the Senate only three significant ones were adopted on the floor. One, with a majority of Republicans joining all but three of a cut in medical research them. And just as Senate Dem- failure in Congress is inevitable, money. A second defended subsidized student loans.

The third, which defeated a plan to kill off public financing of presidential elections, was an example of how Republicans can get into trouble by being

The scheme, a hobbyhorse of Senator Mitch McConnell of Kentucky, was never considered in hearings and ran into a buzz saw of opposition from the League of Women Voters, Common Cause and 10 Republican senators who recalled their president's Watergate scandal, which produced the public financing law in the first

flourish in the House, where half a day is considered adequate to hear testimony on amending the Constitution and 40 years out of power have created an atmosphere in which idle chatter is sometimes mistaken by the new majority for serious policy discussion. Sending an cavoy to Tibet to negoti-

one such concept. But the travails of these excursions, whether amusing or dangerous, are no measure of success. The test is the Republicans' ability to cut spending, especially on programs that are unimportant to its constituents.
The Democrats, especially in

ate its freedom from Beijing is

the Senate and the White House, have become better at challenging the Republicans. President Bill Clinton's

threat to veto a bill that would proved for spending this year was the sort of firmness his colleagues on Capitol Hill hope for (just as his meandering on New Liampshire radio about bal-The House brooked no anced budgets was what infuriates them).

 House Democrats are having more trouble making an impact. Senate rules glorify and empower minorities, but House Democrats, restored 90 percent rules can be used to quash

ocrats learned the effectiveness of delay from Bob Dole's Republicans, Mr. Gingrich and his colleagues learned from House Democrats how to ignore the minority.

House Democrats did not learn from Mr. Gingrich how to just promising to. be noisy and effective even while being steamrolled, al-though they have taken to filing a series of ethics charges against him, as he did against an earlier speaker, Jim Wright.

Many in Washington cherish

even if no one knows just where it will come, or when. And from the start, the Re-

publicans themselves have acknowledged that the next part of the agenda, actually cutting spending, will be harder than

They may run into a brick wall yet if Mr. Clinton's will on vetoes proves as strong as his language. But so far, as Thomas E. Mann of the Brookings Institution observed: "Success breeds success. That has a way the thought that Republican of keeping the troops together.

Away From Politics

 Americans spent some \$49 billion on illegal drugs during 1993, 23 percent less than the \$64 billion they spent in 1988 largely because of a decline in outlays for cocaine and heroin — according to a study prepared for Lee P. Brown, the national drug policy director for President Bill Clinton. (WP) ● Two pre-med students at Harvard Uni-

versity died and a visitor was wounded,

apparently in a murder-suicide in a dormitory. The police said Sinedu Tadesse, 20, of Addis Ababa, Ethiopia, fatally stabbed her roommate, Trang Ho, 20, of Medford, Massachusetts, before apparently hanging herself • A man who threw a 30-pound bucket off

a roof in New York, killing a housing police officer in 1993, was sentenced in the State Supreme Court to 5 to 15 years in prison. Pedro J. Gil, 23, expressed remorse, saying that he had not meant to kill John Williamson, 25.

• A tour bus returning to Atlanta from Biloxi, Mississippi, collided with a car and overturned near LaGrange, Georgia, killing the car's driver and injuring 39 people, hospital officials said. (AP)

 Faced with a \$3.8 million deficit and an order to rein in spending by 40 percent, the National Association for the Advancement of Colored People will cut staff and may close some of its offices, according to the association's new chairwoman, Myrlie B. Evers-Williams. (AP)

Researchers Consider a New Step in Treating Drinkers ourish in the House, where

By Lisa W. Foderaro New York Times Service

NEW YORK - He was in his mid-20s, an age when drink-ing until the small bours with a bunch of friends weekend after weekend is still called partying rather than alcoholism. Twice the man, an installer of security systems from Nassau County, New York, was arrested for

drunken driving. After the second arrest, the state Department of Motor Vehicles took away his license and told him to begin a standard treatment regimen: 20 weeks of intensive therapy and absti-

"All of a sudden," he said, "you get a DWI and you have take back money already apment, and you're branded as an alcoholic. At one time, I was a problem drinker. But I was never an alcoholic.'

Now 30 years old, the security technician says he wants to stay healthy but without giving

in the United States.

For decades, doctors and therapists have focused on the alcoholic, with a lifetime of abstinence and Alcoholics Anonymons, or AA, meetings the standard prescription.

People with milder drinking problems who did not meet the two major criteria for alcoholism — high tolerance and signs of withdrawal — were either classified as incipient alcoholics and put into inpatient programs, or got no help at all.

The prevailing view was, and largely still is: once an alcoholic, always an alcoholic. But now some researchers have begun to ask two related questions: Can people who drink too much, yet who are not yet alcoholics, cut back on their

than science, the questions have stirred a vigorous debate about the proper way of treating

its kind, the Center of Alcohol Studies, a research institute at Rutgers University in Piscataway, New Jersey, recently established a treatment pro-gram to help alcohol abusers reduce their drinking through short-term counseling sessions LOWN as "brief interventions

And a new self-help program called Moderation Management has set up chapters in a half-dozen communities, from Los Angeles to Hicksville, New up drinking altogether. He is thus challenging one of the central tenets of alcohol treatment in the United States.

York, offering guidelines and support to people who, like the security technician, want to curb their drinking rather than

require abstinence.

the Rutgers center, said:
"Unfortunately, in this coun-

try, for many, many years even to talk about people with a drinking problem simply cutting down has been anathema.'

"Among dyed-in-the-wool 12-step followers, it is heresy." he added. "Among pragmatic people who are reading the scientific literature, it's no longer He was referring to AA's pro-

gram of abstinence, which is based on a 12-step approach. Other experts, though, worry

that the moderation movement may go too far, giving true alcoholics an excuse to keep on "In general," said Dr. Daniel

K. Flavin, "it's not a good idea

under any circumstances to en- arrested for drunken driving. courage an alcoholic to moder- those who are experiencing ate, or the heavy drinker whose strains in their relationships or natural history would be to go on to alcoholism. How do you tease those people out?" Dr. Flavin is the medical and

scientific director of the National Council on Alcoholism and Drug Dependence.

The Rutgers center aims at people who fall somewhere beween light drinkers - those who consume up to three drinks a week - and alcoholics. They include people who have been

those who are simply concerned about the health risks of drinking too much.

Through an assessment that includes neurological tests, blood tests and detailed questions about drinking behavior. Rutgers first tries to show patients how their drinking compares with national norms and then points out the risks of continuing that level of consump-

The patients may then choose from programs intended to help them achieve either abstinence or moderation, including meeting with a therapist once a week for four to six weeks, or just checking in with a therapist while working through a self-help manual.

Several tips on how to cut back are covered, from alternating alcoholic drinks with nonalcoholic beverages to avoiding refills before the glass is empty, which helps drinkers keep track of the number of drinks.

| **Berlin** | dep. 89.55 Budapest art. 12.40 377. 14.40 Tiranë . Vilnius ் arr. 14.55 👺 Warszawa

...are those via Vienna International Airport, one of the most important hubs to the East. Austrian Airlines with decades of experience offer you 21 destinations in Eastern Europe. In many cases we have the quickest ore even the only connection to Eastern European cities. No matter which European city you start from, travelling with Austrian Airlines via Vienna International Airport, with its modern infrastructure, short transfer times and superb shopping facilities, you will find more numerous and better quality onward connections to Eastern Europe than from any other airport.

Welcome To

POLITICAL NOTES

Rollins Quits as Dole Consultant

man for Mr. Dole, the Senate majority leader, said Sunday.
Mr. Rollins had speat less than a month as a unpaid
political adviser to the Dole campaign. Mr. Rollins made the

Two years ago, Mr. Rollins sparked an uproar when he claimed he had paid off black ministers during the New Jersey governor's race. Mr. Rollins later said he had fabricated the

tion meeting here over the weekend, growing disappointment with the Democratic Party under President Bill Clinton produced increased talk of a third party for the 1996 election.

At times comparing the work that blacks and other minorities have done for Democrats to slavery and sharecroping. the Reverend Jesse Jackson told the organization: "We delivcred. Then they ignored us. We do not intend to be ignored, taken for granted, pushed off and exploited any longer."

bid, he said the organization "must develop independent ballot access" in states and localities. (WP)

said the administration would oppose a measure included in the House Republican budget that calls for replacing the dollar bill with a new \$1 coin.

"This is another attempt to force the American people to accept something that they've rejected twice in the past 25 years," Mr. Diehl said, referring to the failures of a Dwight D. Eisenhower dollar produced in the early 1970s and the Susan B. Anthony dollar, first minted in 1979.

would circulate for 30 years compared with a paper dollar, which typically lasts 18 months. (WP)

Quote / Unquote

W. Anthony Lake, White House national security adviser, at commencement exercises at the University of Massachusetts, on congressional cuts in foreign aid: "You are the world's best hope in the fight against the forces of fear. Some would deny us the tools we need to wage that fight. These are the backdoor isolationists — people who give speeches about how the United States must fight for peace, democracy and

WASHINGTON — Ed Rollins, a political consultant, has resigned from Senator Bob Dole's presidential campaign after calling two Jewish congressmen "Hymie boys."

"I can confirm to you that Ed Rollins has left," a spokes-

remark at a party this month for the California Assembly

Amid Rainbows, Talk of 3d Party

ATLANTA — While opposition to the Republican congressional agenda dominated the National Rainbow Coali-

Without committing himself to a third-party presidential

Dollar Coin Rolls Around Again

WASHINGTON — The Cinton administration is sticking by the greenback. The U.S. Mint director, Philip N. Diehl,

Republicans have claimed that the metal dollar would save from \$400 million to \$800 million a year because a \$1 coin

prosperity — but are not willing to back their words with the resources that today's fight demands."

(Reuters)

drinking without abstaining altogether? And can recovering alcoholics go back to drinking at a moderate level? Among professionals in a field still considered more art

In one of the first efforts of

Many experts who are challenging the one-size-fits-all treatment philosophy point to recent studies in Europe and the United States that show the success of brief outpatient treatment programs that do not

Dr. Frederick Rotgers, an as-sistant research professor and director of research protocols at



Great Britain: 0800 181 591

Germany: 0180 231 2121

France: 05 05 00 11 CONCORDE HOTELS

Zagreb

Account the city

Tribune, illy Cedex, France. 41 43 92 10

THE WORLD'S DAID NEWSPAPER

ASIA

P;

Ci

A.G.S. PARIS (33-1) 40 80 20 40 BUSINESS **OPPORTUNITIES**

CRE BANKS COMPANIES COMPARIES & TRUSTS

ASSET PROTECTION IMMIGRATION/PASSPORTS TRADE - FINANCE

ASTON CORPORATE TRUSTES LTD 19 Peel Road, Doopley, life of Man Tel: 01424 626591 Fep: 01634 625126 London Tel: (171) 222 8266 Fex: (171) 233 1519

Q&A: The WTO Is Ready to Act to work in an honest way, without taking The trade dispute between the United sides, in a neutral way to help improve States and Japan over cars and car parts the climate and to assure both sides that has been portrayed by its critics as a threat our organization is ready to help find a to the effectiveness and credibility of the way for any bilateral solution to be con-

> Q. What have you told the U.S. and Japanese governments, then?

sistent with the multilateral setting.

A. I have told them both that this can be a win-win situation because we can both settle the case in question and strengthen the multilateral trading sys-

Q. Sir Leon Brittan has claimed the U.S. sanctions threat is illegal, and he has threatened to bring a challenge to the WTO if the U.S. and Japan agree a deal that Europe feels is discriminatory. What do you think of Europe's position?

A. This question is sub judice. My role is to avoid any comment.

Q. And what is your view of the likely outcome of the U.S.-Japanese dispute? A. I do not want to be optimistic or pessimistic. What I want to say is that it is very important that the WTO will in the end be making a binding judgment.
The WTO is ready to act, and that can have a deterrent effect, to encourage governments to end their disputes as soon as

Q. There has been much controvers about China's wish to join the WTO

quickly, and concerns in the United States that China should not be allowed in until it drops certain import barriers and makes concessions. What do you think about China joining?

A. The world trading system without China and Russia inside is not really a trading system, but only part of a trading system. We must have them both inside. But this is a complicated situation because China comes from a different economic system and has to adjust rapidly to market conditions. I think it will hap-

Q. Looking ahead, what is your agenda for the WTO?

A. There are a number of priorities, including our first one, which is to negotiate the liberalization of financial services before June 30. I would hope to finalize this negotiation with a multilateral settlement. Then there are the important items of trade and the environment, trade and competition policy, and trade and labor standards that will be discussed. It will also be important to look at the question of achieving an international investment regime, which has been started already.

CROSSWORD

22 Post, of etiquetti 24 Divorce demand 26 Hamlet, e.g. 27 French greeting 25 Wonderland creature

new World Trade Organization, which is just five months old. Renato Ruggiero, the

director-general of the WTO, discussed the

U.S.-Japan conflict and other trade issues

with Alan Friedman of the International

Q. Washington's threat of \$5.9 billion

of punitive tariffs has triggered an inter-

national fight. You have met last week

with Mickey Kantor, the U.S. trade en-

voy; Japanese trade minister Ryutaro Hashimoto, and Sir Leon Brittan of the

European Union. Where are we headed?

is an element that is very important, and

that is the acceptance of dispute settle-ment under the WTO. The United States

told us they would file a complaint to the

WTO. And Japan came to see us as well. And what is even more important is that

Ambassador Kantor has told me the

Q. But do you see a bilateral deal

being done or a multilateral solution

A. There is nothing wrong with a bilateral solution being achieved. But I have

through the WTO?

ACROSS

1 Skewered dish:

U.S. will comply with WTO rulings.

A. In the U.S.-Japanese dispute, there

Herald Tribune.

€ Kriites 11 Bus, name 14 Bout site 32 Rabin's people 15 Lose one's head 16 Prefix with natal ramparts we 17 Kareem

36 Bryn ----, Pa. formerly 39 Friend of Fran 19 Designer Claiborne 40 in the distance 41 "--- Believer 20 Mauna --42 Fiancés 21 Ungracetully 44 Domed rooms

Solution to Puzzle of May 26



46 Dumas's "La 50 Hence 51 Make damp 53 Nobelist Marie

55 Jali door sound 57 Clio honorees 58 Rock's ----59 Cld-time

dancing song 62 Rench call 63 Trace of color 64 Ecclesiastical

65 Old hand es Linksman San 67 Quarterback tackles DOWN

1 Soprano Maria 2 Anatomical ring S Grieve v 75 — shov 6 Like porcupines

? Word with gas or

a English pance's 9 Celebrity book 10 Fun house

11 Rather than 12 Playwright Simon 13 Cover for a

23 L-P connection 25 "The Ghost and 26 Toweled off

25 Excises, as tex 29 Actress Lena 30 Sargasso, e.g. 31 Flub 33 Sonata section 34 Neighbor of

37 Arnas precede 38 Final defeat 40 Hubbubs 42 Consumes 43 Posers

36 Russian space

45 Spoon-bende 47 Type of type 48 Lay to at another 49 Follows 51 Coupled

52 Warbler Yoko

53 Woodsy home

© New York Times/Edited by Will Shortz.

Rome

56 Org. overseeing

INTERNATIONAL CLASSIFIED

IRISH NON-RESIDENT COMPANIES £195 Eilah Murphy, Director, Sovereign Company Services, 56 Fitzwilliam Square, Dublin 2, Ireland.

Tel: +353 1 6618490 Fax 6618493 OFFSHORE BANK Class A unrestricted banks in tax free verue with offshore administrative services. US 535,000. Limited number available. Immediate transfer. Call Concada (804) 942-8169 or Fax (804) 942-8179 or London UT 394-5157 or Fax (804) 942-3179 or London UT 394-5157 or Fax (807) 231 9728 HONG RONG CO. SST2. America cost 9885. SR Ltd. 701, 35 Queen's Rd. C. HK. Tele 852-2525-0275 Fax. BS2-2840-0217

OPPSHORE COMPANIES: IPCR, 1/5
Charch Street, Douglas, Isle of Mon.
Tel: 06394 627529 Fast: 06294 629662.
OPPSHORE COMPANIES: For free
brochuse or obvice Tel: London 44
181 741 1224 Fast: 44 181 748 6558

LAWYER PROBLEMS? Legal consistent will available your lawyer/case for froad, propriety. Fas: (4122) 751-0881 If you enjoy reading the IHT BUSINESS SERVICES when you travel, why not also get it at home ? Same-day delivery, available in bey U.S. cities.

Save on International Phone Calls

Sove 50% and more compared to local phone companies. Call from home, office, careven hotels (and avoid surcharges). Check our rotes for any country and see how you can start saving today.

Call us now and we'll call you right back!

Tel 1-206-284-8600 Fax 1-206-282-6666 kaliback

419 Second Avenue West Secitie, WA 98119 USA

FOUR OFFICE IN LONDON
Bond Street - Mail, Phone, Fax. Telex
Tel- 44 171 - 599 9192 Fax 171 499 7517 CAPITAL AVAILABLE

MULIONAIRES & SULIONAIRES 100% Confidential OMC Director by \$15% wealthy Private Investor, seek with asset over EIM and more, it you are looking for top investmentil appointmess and wish to be listed in our Directory please contact without any obligation CMCI to fee **66 2 258 7367

- WE ARE NOT BROKES -We have no operts - No representatives
- No front up fees - No containson
FAX CMCI, *** 66 22 587367
TRUST US, WE KNOW WE ARE NO 1 BLOCKED FUNDS

DRAFTS lacted in Your Name acked By Cash to Sho Availability of Funds LOANS

All Above Services offensed thru Major Int'l Banks via KTT, etc.

Geneva, Switzerland PS FENANCIAL SUPPORT SA (4122)9001400 ° Fax 7388988

FINANCIAŁ SERVICES

PRIME BANK GUARANTEES eture Capital Business Finance ed Estate Long Term Finance and Financial Guarantees All Types of Projects No Commission Until Funded Brokers Protected

seded to act as Liaison for us in the processing of these financing applications.

Flease reply in English
VENTURE CAPITAL CONSULTANTS
Investment Benkers
16:311 Venture Bird., Solbe 999
Encino, Colifornia 91436 U.S.A.
Telex: 651355 Venera LSA
Fozz No.: (218) 905-1698
Yel.: (818) 789-0422

SERVICED OFFICES Your Office in Germany we are "all your service"

Complete office services at two presige addresses.

In the equipped offices for short letter or long term.

Internationally transact office and professional staff of your disposal. disposal.

Can be legally used as your corporate domicite for Germany/ corporate demicile for Germany Europa. • Your business operation can start

Lairco Business Services GmbH Lairco-Hous on Holzhousenpark Justinianstrasse 22, 60322 Frankfurt are Main Germony. Tel· (69) 95515-0 Fox: (69) 595770

RENTALS PARIS 5th, LATEN QUARTER, large shop & office for nert, 80 sq.m & 50 sq.m. on 2 levels. Tel: 14354 6569 REAL ESTATE FOR SALE SWITZERLAND LIGANO-EXCEPTIONAL VILLA for persons appreciating a distinguished primits residence. Orf 3/5 million. leb +41-22-364 46 49 or Fau; +41-22-361 93 88

REAL ESTATE TO RENT/SHARE PARIS AREA FURNISHED

AGENCE CHAMPS ELYSEES unished apartments, 3 months & mor or uninmished, assidential arrass. Tel: (1) 42 25 32 25 Fex (1) 45 63 37 09

AT HOME IN PARIS PARIS PROMO tments to rant furnished or not I. Property Management Services locke 75008 Paris, Fax 1-45611020 Tel: (1) 45 63 25 60

IDEAL ACCOMMODATION
READY TO MOVE-IN
From studio to 5 bedrooms
TOP QUALITY - credit conds accepted

agence Champs Elyses Specialists: armshed appartments, 3 months & mon or unformished, residential areas.

Tel: (1) 42 25 32 25 YOUR HOME IN PARIS ENTER URBIS Lanury rentals & sales 31 rue de Manceau, Paris 75008

Tel: (1) 45 63 17 77 CAPITALE . PARTNERS

Handpicked quality apartments, all sizes. Paris and suburbs. We help you best ! Tel 1-4614 8211. Fax 1-4772 3096 16th, PLACE VICTOR HUGO, very leaving studio on 5th floor. BURO SERVICE HAMDBUSH Tel 1-4766 1310. NEJBLY-PTE MAILLOT ideal pied-oterra, 1 bedroom, double living, small lettice, newly redone. Tel 1-47601318 PARIS AREA UNFURNISHED

Embassy Service YOUR REAL ESTATE AGENT IN PARIS

Tel: (1) 47.20.30.05 GRAND APARIMENT, RUE DU BAC 285 sq.m., street and garden views, sant quier, 2% boths, complete latchen, 731,500 per month net. Justified key money. Tel 1-4548 7676. ftm. 1-4549 2358

RUE DE CREMELLE refined quet 3-room floit on garden, "parquet", fineplace, FF11,000, Tel (1) 45 51 13 51 **AUTO RENTALS** RENT FROM BERGI AUTO WEIKS-ID. FF 515 SPECIAL OFFER - 7 DAYS- FF 1400 PARIS TEL: [1] 45 87 27 04

LEGAL SERVICES

EMPLOYMENT DOMESTIC POSITIONS AVAILABLE

WANTED from July 15 to September 1st, 1995 CUING WOMAN for SUMMER JOB to work at family country estate in Alsace/france.

Tasks include serving family and guests at table, light latchen and household duties. High salary is offered for respective effort. Nice roce with both is provided. Successful condidate is well groomed, mativated to work longer hours when required. German and french speaking, driver's licence on asset. Please send short resume with photo to Box 3912, LH.T., 92521 Neully Cedex, France.

EXPERIENCED CHEF required for private European family. Must be free to live between London, Switzerland and Spoin. Must be flexible and be a good learn player. Previous expeniences in a smilar position essential with references. Must be vell versed in flatian, french and Oriental cuisive. To start risk-lune. Please send CV and photo to Bax 3564, LH.T., 63 Long Ace, Landon, WCZE 9.H.

LOW COST FLIGHTS

ACCESS VOYAGES THE BEST FARES TO THE UNITED STATES

and over 500 more destinations world wide on 40 different scheduled corners. Tel: PAROS 1-40 13 02 02 02 07 42 21 46 94 Fox: 1-42 21 44 20 MINITEL: 3615 ACCESSVOYAGES Tel: LYON 78 63 67 77 07 72 56 15 95 BOOK NOW by phone with credit core Government Licence; 175111

WORLD AVIATION - SCHEDULED FLICHTS, 1st, business, economy of lowest fores, Tel IFT Paris (1) 47551313 HOLIDAYS & TRAVEL

"SUMMER IN FRANCE" Special Heading for Haliday Rentals next appears on Friday, June 2nd, June 16th

For more information on how to place your od, please contact: PARES Tel: (1) 41 43 92 09 or Fee: (1) 41 43 93 70

TODAY'S

INTERNATIONAL RECRUITMENT

Appears on Page 5

Tamils Hit Sri Lankan Army Post, Killing 25

COLOMBO - Tamil Tiger guerrillas attacked an army camp in eastern Sri Lanka Sunday, killing at least 25 soldiers and losing an unspecified number of their own men, military sources here said.

A large group of fighters from the rebel Liberation Tigers of Tamil Eelam pounded the Tharavikulam army camp deep inside the jungle, touching off a major firefight, the sources said.

"We know from LTTÉ radio intercepts that they have killed at least 25 soldiers," a military source said, citing reports on the rebels' communications network. "The fighting is still go-ing on with troop reinforcements on the way to the area." He said soldiers from nearby

sist the besieged troops at the camp, which had been a staging post for strikes against the Tigers inside the dense jungles. A military spokesman, Sarath Munasinghe, confirmed that a fierce battle was raging in Tharavikulam, but said he was

camps were on their way to as-

still awaiting details of casual-The assault came a few hours hours after troops killed 10 re- New Delhi Says Americans bels in northeast Weli Oya durwounded, Mr. Munasinghe

He said two of the rebels killed by the army had been identified as key leaders in the

As the fighting escalated in the eastern region, the Tigers blasted a telecommunications tower inside the governmentheld northern town of Vavuniva cutting off the region from the rest of the island.

The renewed bloodletting came on the heels of a massacre of 42 Sinhalese civilians and the assassination of a leading Buddhist monk. The killings carried out Friday were attributed to the Tigers.

There has been no reaction from the Tigers to the upsurge in violence, but a rebel statement received here from its Protest Marks Tiananmen London office accused the government of violating human

has committed gross, violations of human rights and continues to openly flout the humanitarian law of armed conflict," the two-page statement said. of the Red Cross, in a rare press

communiqué, expressed shock and "strongly condemned" at the slaughter, the worst against April 19. The Tigers are leading a protracted campaign to establish an independent homeland

called Eelam in the island's northeast, and more than

that also left five soldiers wounded Mr Munasinghe Do Not Object to Missile NEW DELHI — The United States has not

asked India to abandon its plan to deploy a short-range missile along the border with Pakistan, the foreign minister said Sunday. The foreign minister, Pranab Mukherjee, said

on his return from a four-day trip to Washington that the American leaders he talked with did not exert any pressure on him. "There was no such thing," the Press Trust of India quoted him as

Mr. Mukherjee, the first Indian foreign minis-ter to visit Washington since 1990, said he had had "very useful discussions," including one with Secretary of State Warren M. Christopher. A newspaper here reported in April that a mobile surface-to-surface missile called Prithvi. which has a maximum range of 250 kilometers (155 miles), would be deployed by the Indian Army despite U.S. objections. But the report

tion of the missile.

HONG KONG - More than 2,000 people marched Sunday in a rally here to mark the sixth anniversary of the Chinese crackdown on the "The Sri Lanka government Tiananmen Square protest movement. Led by human rights activists and several legislators, the demonstrators gathered at a park in the central business district and marched to the office of the Xinhua press agency, Beijing's de facto embassy

in the territory. The rally's organizers placed a door of the news agency and called for the

release of political dissidents. The authorities in China have sought to squelch activism as the June 4 anniversary apthe majority Sinhalese commu-nity since fighting resumed on dozen have been detained and their whereabouts are unknown.

Vote in Philippines Delayed
COTABATO, Philippines — Gunmen forced a second postponement of elections in two Mus-30,000 people have been killed lim towns in the southern Philippines, officials since the separatist struggle was said Sunday. No casualties were reported in the launched 23 years ago.

since the separatist struggle was said Sunday. No casualties were reported in the launched 23 years ago.

said Sunday. No casualties were reported in the launched 23 years ago.

said Sunday. No casualties were reported in the launched 23 years ago.

said Sunday. No casualties were reported in the launched 23 years ago.

A protester at a Hong Kong rally to mark the anniversary of the Tiananmen crackdown holding up a portrait of Wang Dan, an activist who has been detained in China. begin in a village in Datu Piang municipality in Maguindanao Province and in Masin town in

BRIEFLY ASIA

Lanao del Sur. Residents of the two areas were supposed to have voted during the May 8 congressional and local elections, but mortar attacks on the Datu Piang town hall and the presence of armed men near polling centers in Masin forced postpone-ment of the balloting. The national election com-mission set the voting for Saturday, but post-poned it again to Monday because of the new

Japanese Rice for Koreans?

TOKYO - Japan has indicated that it may grant a request from North Korea for emergency

rice supplies. A North Korean delegation to Tokyo on Friday asked Japan for emergency food aid, saying the grain crop would be insufficient again this year to feed the nation. Japanese officials originally said it would be "difficult" to honor the request, because Tokyo and Pyongyang do not ·

added that the government, apparently because have diplomatic relations. of U.S. pressure, was delaying regular produc-But Prime Minister Tomiichi Murayama has told his cabinet that he wants to find a way to help North Korea, according to press reports. The reports said Tokyo might send North Korea some of its surplus rice, much of which is from Thailand and was shipped to Japan during crop shortages here two years ago.

VOICES From Asia

president of Sri Lanka, vowing to hit hard at ? Tamil guerrillas: "We are still in a defensive role, carrying out limited operations. We have still not begun the war. But when we do, it will be done as effectively as we have in other things and with all

Thomas Hinbhard, the chief U.S. negotiator in talks with North Korea on its nuclear program: Talks will continue, but there is no fixed sched-

Satoru Igarashi, a fund manager at Nissan Fire and Marine Insurance: "The Japanese economy

CHINA: Beijing Suspends Talks on Missile Technology Over Taiwan Visa

Continued from Page 1

out visits by senior Taiwan offi- the two countries. cials. The Clinton administration, pressed by Congress to grant the visa, has asserted that Mr. Lee's visit is not official, but rather a private trip to a reunion at his alma mater, Cor-

nell University.
Nonetheless, the entry visa ended a long-standing ban on visits by senior Taiwan officials and was seen as a diplomatic victory for Taiwan. Eager to break out of its diplomatic isolation, Taiwan's leaders have used a succession of so-called private visits to other nations, successfully circumventing

bans on official missions. strong congressional support more than 186 miles (300 kilo-for Mr. Lee's visit and aggres-meters).

sive lobbying by Taipei. China's latest move marked a setback for slowly warming mil- with the missile sales. In ex-

Aside from human rights, the transfer of sophisticated missile technology has been the most troublesome issue in U.S.-Chi-

nese relations, from Washington's point of view. In August 1993, the United States imposed sanctions because of alleged missile technology trans-fers to Pakistan in violation of the global Missile Technology Control Regime, a multinational accord regulating export of

missile components. U.S. policymakers were most concerned over the export of ground-to-ground missiles with the ability to carry a payload of The Clinton administration more than 1,100 pounds (500 only gave in after votes of kilograms) over a distance of

Last October, Washington lifted trade sanctions associated

closest area of cooperation for the two countries. export such missiles, although it their first formal talks about never acknowledged that it had Taiwan's relations with Hong been doing so.

The two sides had been scheduled to hold further talks on missile testing. Beijing has already canceled three planned U.S. visits by Chinese officials, including De-

fense Minister Chi Haotian, and has warned of further reprisals unless Washington rescinds its decision on Mr. Lee. The Clinton administration. in an attempt to assure Chinese leaders, announced its that it would back the renewal of "most favored nation" status for China, thus giving China the preferential trade status most

nations hold. The administra-

tion also said it would bar the

further sale of advanced U.S.-

made fighter jets to Taiwan. ■ Talks on H.K. Held Up Taiwan and China failed to

Kong after the British colony reverts to Chinese rule in 1997, but they kept options open, Reuters reported from Taipei. A senior Chinese envoy said the two sides needed more time before they could include the question of Hong Kong in the second session of the highest-

level talks ever held between the

has been scheduled for July 20.

two rivals. The second session *

I.C.A.'s was

PROVIN

Er-

GLOW PAIR TOKE 1 Fr.

100 mg

AL ALLAND

THE PARTY OF

. C. C. C.

The Contract of the Contract o

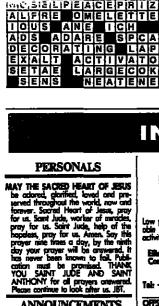
TO OUR READERS IN BERLIN

Commence of the control of the contr A STATE OF THE STA

You can now receive the IHT hand delivered to your home or office svery morning on the day of publication. Just call us toll free at 0130 84 85 85







ANNOUNCEMENTS

Attention visitors

from the U.S. !

Call (1) 800 882 2884 (in New York add 212 752 3890)

Rerald Eribune

MALA SCHÖN, The most refined of oil ties, in ZURICH exclusively of -WENEERG's - leading men's store -13, Bohnholstr. 01-217 27 50

ALCOHOLICS ANONYMOUS English specifing receivings deally. Tel: PARIS (1) 46 37 57 65, ROME 677 66 00.

MOVING

FOR A FREE ESTIMATE CALL

PARIS (1) 39201400

By Stephen Kinzer New York Times Service

BERLIN - Emerging from a month of 50th-anniversary ceremonies recalling the end of World War II in Europe, Ger- in itself. Taken together, espemany has received much praise for the frankness with which it is facing its Nazi past.

In ceremonies at concentration camps and battlefields, and at the observance of the German surrender, politicians pro-claimed their sense of shame and responsibility, and foreign leaders hailed Germany's will-

F. Transe Carrie

The solutions

- 12 - 13**2**

3.14

:= :=: = = = = = : [H]:

....

· :: = ::::

<u>۔۔۔</u>

~ .3

- - -

** N. STELL

.... :- (**100**0

the same the same of

Kirk Koreans

-3.3 000 200<u>0</u>

But also during the last month or so, several disturbing consodes have served to remind was arrested in 1943 after call-berger conceded in a speech after the Bonhöffer case came to lature in North Rhine-West-phalia, Wilhelm von Schmelberger. Germans that history has not yet forgotten or absolved them.

cially against the background of the many memorial events, they illustrate the difficulties of dealing with an evil that is both so enormous and so recent.

In April, religious groups but the seeking to honor the memory of sponded. Dietrich Bonhöffer, an antiingness to confront the horror still legally considered a traitor its injustices," Justice Minister

oppose the Nazis. He was tried and executed.

In 1951, a Munich court refused to grant Mr. Bonhöffer a posthumous pardon, ruling that his sentence was legal under laws of the Nazi era. A member of Parliament recently demanded that the case be reopened, but the courts have not re-

"In the years since 1945, we Hitler theologian, found to have failed to confront the Nazi their astonishment that he is legal system, much less rectify to Germany. Mr. Bonhöffer Sabine Leuthüsser-Schnarren-

Also in April, the retired dean of a university in Aachen, Hans Schwerte, was forced to admit that he had changed his name after the war to avoid being recognized as a former SS officer who, while serving in the Netherlands, procured medical devices to be used in barbaric experiments on inmates at the Dachau concentration camp. He confessed his past only after being investigated by a Dutch

In a similar case, a 71-year-

television team.

lature in North Rhine-West-phalia, Wilhelm von Schmeling, confessed at a forum that he led a Nazi execution squad in France in 1944. He said many of his neighbors knew of his past but did not consider it a reason for him to avoid seeking public office.

Anniversary ceremonies have also led to the discovery that in several German cities and towns, Nazi leaders are still listed as "honorary citizens."

After newspapers reported this. Baden-Baden removed Hitler's name from its list. In the Bavarian town of Plattling, the 1995 official book listing honorary citizens was found to include listings for "Adolf Hitler, Reich chancellor," and Heinrich Himmler, SS-reichsführer."

Early this month, one of the best-known German Holocaust researchers, Anna Rosmus, who left her home town and immigrated to the United States in 1994 after receiving a flood of threats and insults from townspeople, returned to Passau for a memorial service she had orga-nized. For the event, Miss Rosmus had located more than 100 U.S. veterans of units that occupied Passau at the end of the war, as well as former inmates of concentration camps in the

No official representative appeared at the service, and the local press paid it little attention. The only official act commemorating the 50th anniversary in Passau was the laying of a Star of David in a local cemetery. It was removed after local Jews complained that it was inappropriate at a cemetery where more than 100 SS veterans, including a general, are buried.

Passau's mayor, Willi Schmöller, said he viewed the cemetery as a place of mourning for all Holocaust victims. Asked if he considered an SS general to be a Holocaust victim, Mr. Schmöller said: "From this distance, I can't judge. It's up to historians to research de-

EU Set to Take Possession Of Its New Headquarters BRUSSELS — The European Union takes possession Monday of its new headquarters, the first time the bloc's Council of Ministers has actually owned its own home.

The gray-pink granite-clad monolith, resembling a giant blockhouse, cost 13.5 billion Belgian francs (\$455 million) and towers over the Robert Schuman roundabout in the heart of the Euro-quarter of Brussels.

For eight months every year, it will be home to all EU ministerial meetings as well as hosting the almost daily gatherings of officials. The building also houses the secretariat's 2,500 staff and has facilities for 1,000 reporters. Great pains have been taken to ensure that they can get nowhere near their quarry — the ministers. (Reuters)

Farm Talks Are Scheduled

BRUSSELS - European Union farm ministers will meet Monday to discuss plans to change the way farmers are compensated for losses due to currency turmoil, but they may put off a decisive battle until next month.

Officials said the new president of the farm council, Agriculture Minister Philippe Vasseur of France, will first want to make contact with ministers and sound out their positions.

A decison is needed before a revaluation of the Belgian franc green rate on June 25. Green rates are used to convert EU farm subsidies, calculated in European Currency Units, into local currencies. The European Commission has warned that a 3 percent revaluation would trigger compensation of more than one billion Ecus (\$1.3 billion) to farmers.

Norwegians Cooler on EU

OSLO - Norwegian support for joining the European Union has fallen even more in the six months since the country rejected membership in

a referendum, a survey published here indicated. The opinion poll, published Saturday in the daily Aftenposten, showed that 56 percent of the 607 people questioned opposed membership, while 34 percent were in favor and 11 percent undecided. The figures total 101 because the percentages have been rounded up.

BRIEFLY EUROPE

Norwegians rejected membership by a vote of 52.2 percent to 47.8 on Nov. 28. (AFP)

Belgians Meet on Cabinet

BRUSSELS — Belgium's King Albert asked the outgoing prime minister, Jean-Luc Dehaene, on Sunday to form a new coalition government, the press agency Belga reported.

Mr. Dehaene, a member of the Flemish Christian People's Party, accepted, the agency added. The king started consultations with the leaders of Belgium's political parties last Monday, following a general election on May 21.

Political analysts said they expected the new coalition to be made up of Christian Democrats and Socialists. The center-left parties survived the election virtually unscathed.

Calendar

European Union events scheduled for Monday:

BRUSSELS: EU foreign ministers meet under the presidency of the new French foreign minister, Hervé de Charrette, to prepare for the EU summit meeting scheduled for June 26-27 in Cannes. Talks are due to last through Tuesday. PARIS: EU Transport Commissioner Neil Kinnock will meet Transport Minister Bernard

Pons of France. VIENNA: Monika Wulf-Mathies, regional policy commissioner, meets with Austrian Chancellor Franz Vranitzky and Secretary of State Brigitte Ederer.

Sources: Agence Europe, AFP.

Juppé Says Jobs Outrank French Deficit

PARIS - Prime Minister Alain Juppe said Sunday that he was prepared to let the budget deficit initially rise, even if it had repercussions for the value of the franc, to achieve his goal of reducing unemployment.

But he stressed that his government would cut the deficit in time to be ready for a projected single European currency in 1998. Unemployment in France, at a near record of 12.2 percent, is among the highest in industrial nations.

Mr. Juppe, in a television interview, again left open the question how his government was going employment."

to finance its ambitious program to create work, help housing and cut charges. He said a mini-budget would be presented in July, after France's municipal elections.

"Today, after having kick-started the engine of exports — which are holding up very well — the engine of investments - that are going better it is now time to start the engine of consumption." he said.

He added, "I will not renounce my No. 1 preoccupation, on which I said in my political speech that I want to be judged - that's

INTERNATIONAL RECRUITMENT

Senior Executives \$ 100,000 ± to \$ 1,000,000 +

Close to 16,000 Senior Management positions worldwide were exclusively announced to ICA subscribers, and searches filled in over 30 countries for the last 20 years. Reputable Executive Search specialists placing career opportunities m ICA's Newsletter, undertake to regard all applications as strictly confidential. Our advice to Management : Be wary ! Stay close to the International Executive Search Market at all times, even if your present position appears stable. Play it safe and confidential, subscribe now to ICA's Worldwide Executive Search Newsletter, and apply to hundreds of Top Management Positions.

Write/Fax for free current issues. Positions for : Belgium, Biazil, China, France, Germany, Hong-Kong, Japan, Latin America, Mexico, The Netherlands, Russia, Scandinavia, Surgapore, Spain, Switzerland, U.K., USA... + info on int'l Directory of Pro search firms.

The ICA Newsletter. Box HT 15 Av. Victor Hugo 75116 PARIS, FRANCE Fax 33.1.42.88.72.06 or 33.1.44.28.19.00

I.C.A.'s Worldwide Newsletter

EMPLOYMENT

EXECUTIVE POSITIONS AVAILABLE

INTERNATIONAL FOOD COMPANY Sased in London is looking for a native English speaking Manager to run the UK operation.

operation.

* Experise in the MONTIGNAC Method is indispensable Knowledge of the American mortest appearance. * Stalls and experience in media relations

Statis and expensers in mean relations
Bosed in London with small amounts of travelling around Europe
Part-time position
Please reply to Box 3567, LH.T.,
63 Long Acre, London, WCZE 9.H-

EXECUTIVES AVAILABLE

n teotile industry, female, 35, trilingou inglish & Sponsin. 10 years experience in touriem industry. Has recently started up a production unit in Vettorm with Concolom girth venture. Seets position, free to travel. Will study oil proposits howing a strang international coalest.

ADMINISTRATOR Treet & Offshere legol-occounting bockground, comprehensive expenience times, handlet, voncus countines. Four larguages, some Resion. Seels related employment or PA high network individual. Genevo based, can relocate. Evening/weekend (23 59 48 62 79 or Box 3903 (RT, 9727) Neality Codex, Franco.

U.S. BENEFITS CONSULTANT Person. 401(K), Medicol, Long Term Deablify, life insurance plans, etc. Seels chicleoping studion. Excellent senor-level returness. Contoch: Ms. G. Chervey, May 26 - June 2. Rensington High. Jondon Tel. 071-003-3335. Thereafter can be neached USA, Tel. 212-993-3199. FAX: 213-229-1746. SALE AND MAINCENFO DIRECTOR Sold experience in Figure and U.K. offering port time or full time cooperation or consulting, lacques Or. de Bory 1ct. PARS (SS-1) 47 23 % 36. from (SS-1) 45 27 75 55.

SECRETARIAL

POSITIONS AVAILABLE SERGING RISTANT WORK IN NEW YORK ? Top pay offered, billingual Freech, complete competer screames and/or managers. Fermourary & per-sensed. Fox resume (1) 212 853 37 09 Tels 212 832 35 90 The Loury Group

EDUCATIONAL POSITIONS AVAILABLE ROSSTRAY/DRECTOR OF STUDIES required for American Interestly program in London, to stort Seamer. Places reply Box 5570, LH.T., 63 Long Acre, London, WCZE 9.H.

BNGISM TEACHERS, blinguol, experienced, full-team, Legal or franchist intovided performed. Tek. Cybelle Longue - Forn (1) 45.61.53.54. GENERAL POSITIONS AVAILABLE

ARMS AND THE CHURCH - A Lithuanian priest blessing soldiers during an oath-taking ceremony in Vilnius.

Between 24 and 30 years old.

 Excellent consumed of English, French and Innovinding of Spanish. Dynamic, extrovert, confident, opti-austic, independent, self-motivored.

 Prepared to increal 10 months a year with residency and extended stays in different countries. No expenence in sales necessary.

avea to be a work and to the arms of the grades. If you think you have the drive and are arabitious enough to take the challenge, we would like you to send us your CV together with a recent photograph promptly to

ADX_EN-PROVENCE: Center for American language teaching / cellural exchange seeks professional adminis-trative osistants fully billingual framsh-teglish good public costoct orga-nized self-starter with working popurs. CV with photo to. Box 3507, LH.T., 92521 Neully Gedex, France. GENERAL POSITIONS WANTED

French POST-GRADUATE in MEDICAL TRANSLATION AND ENTING with B.A. Hors in Languages and Licenciature en hoducaton scola position in a pharmacuskod company, scientific publication or translation agency. Work experience with WHO. Rept Box 3911, LHT, 92521 Reselly Codes, France.

PROPESIONAL COUPLE - He Low Graducte (39), She Biology Graducte (39), Shek interesting & challenging work in Europe. Ist dices beamers and science beautypounds. Excellent refer-ences. Serious enquines cely placed. All work considered. Mark Brody ILLB. Florel, Link Europe. Associates, IA. Park Moce, Leeds, [51] 28U, England.

enciysis, imaginalive, methodic, xgentard & flexible seeks position as BUSINESSMAN ASSETANG. br Cheroux Fax 33-1 42 62 63 65

CENTLEAANS VALET - 38, English, exemplary - available. Base London, will travel. Also charifeur/acienn. expenses. Please call UK (0)585

The state of the s

Une PME française recherche un

ÉLECTROMÉNAGER EXPORT

Petit matériel électroménager

Mission: ce poste implique de très nombreux déplacements et couvre une vaste région du monde. Nous sommes déjà représentés aux USA, en Italie, en Allemagne, dans certains

pays de l'Est et en Océanie. Ce responsable aura pour tâche prioritaire de compléter notre réseau de distribution en Espagne, Portugal, Asie du Sud-Est, Moyen-Orient et Amérique du Sud- Il doit trouver dans chaque pays des distributeurs capables de créer un bon courant comnercial et animer les distributeurs dans l'ensemble du monde. I iout: pouvoir travailler en français, en anglais et en espagnol (ou en allemand). La nationalité est indifférente. Il est nécessaire d'avoir une expérience d'au moins 5 ans dans l'exportation

par réseaux de distribution.

Il est offert : toutes les possibilités de travailler pour une marque connue et des produits bien établis. Le salaire est conforme aux responsabilités du poste.

Merci d'adresser votre candidature sous la réf. 950023/HT a Bernard Krief Management, 115 rue du Bac, 75007 Paris.



BERNARD KRIEF EXECUTIVE Un département de Bernard Arrei Consultrag Group

BUSINESS OPPORTUNITY

MAJOR JAPANESE COMPANY SEEKS ADVERTISING SALES AGENTS IN THE FOLLOWING CITIES:

HONG KONG * BANGKOK SYDNEY * SEOUL SINGAPORE * SHANGHAI

APPLY BY FAX WITH COMPANY PROFILE OR CV TO:

MR A SHIBASAKI TOKYO (813) 3243 9266

Herald Eribune THE WORLD'S DAILY NEWSPAPER

PLANNING TO RUN A CLASSIFIED AD?

Place your Ad quickly and easily, contact your necrest IHT office or representative with your text. You will be informed of the cost immediately, and once payment is made your ad will appear within 48 hours. All major Credit Cards Accepted.

EUROPE FRANCE (HQ): Poris. Tal.: (1) 41 43 93 85, Fasc (1) 41 43 93 70. NORTH AMERICA

Tel: (069) 72 67 55. Fee: (069) 72 73 10. SM(126)LAND: Ruly, Yul.: (021) 728 30 21. Fax: (021) 728 30 91.

GERMANY, AUSTRIA & CENTRAL

ASIA/PACIFIC HONG KONG: Tel: (852) 2922-1188 Teles: 61 (70) HTHX Fox: (852) 2922-1190.



manuacumg

Present in 32 countries, with 198 factories and a turnover of 24 billion FF... CARNAUDMETALBOX, a world leader in the packaging sector, combines large product diversification with quality and technological innovation. Over the past year, the «World-Class Manufacturing Program» has placed quality and productivity at the heart of our present and future business. We are offering a real challenge to a

Quality Auditor

Part of our Paris-based operation, you will play an important role in the company: participating in the audit of the group's factories by means of a pre-established questionnaire examaning the adequacy and applied methods with relation to our standards of

A quality engineer, you have acquired through 5 years experience, a knowledge of factory systems and quality audits.

Bilingual English-French, with good communication skills, flexible and serious, you will be able to adapt to different cultural environments.

Your successful mission will be the starting point for your advancement within our group. Please send CV, photo and motivation letter under ref. 13504/HT to EUROMESSAGES BP 80 - 92105 BOULOGNE Cedex FRANCE, who will forward.

The Savannah College of Art and Design

(Savannah, GA, USA), an independent, non-profit, accredited institution which confers baccalaureate and master's degrees, will be interviewing in London June 21-23, and in Venice June 24-25. 1995, for professors in the following departments: Fashion, Computer Aided Design. Graphic Design. Computer Art. Architecture, Sequential Art (comics, cartooning, children's books), Illustration, Video, and Interior Design. Credentials: Ph. D. or M.F.A./M.A. and college level teaching experience preferred. Salary US \$33,200 or approximately

The Savannah College of Art and Design has a student population of 2,500 which is drawn from 50 US states and 62 countries. The institution is located in historic, picturesque Savannah, GA on the

US southeastern coast. For scheduled appointment, fax or express mail resume, cover letter, and three references to: Dr. Judith Van Baron

Savannah College of Art and Design 201 West Charlton Street Post Office Box 3146. Savannah, Georgia 31402-3146 USA Tel: 001-1-912-238-2487 Fax: 001-1-912-238-2428



THE WORLD HEALTH ORGANIZATION

seeks candidates for the posts of

BUDGET/FINANCE OFFICERS

OFFICIAL STATION (COUNTRY)

The Organization has a Budget Officer post at its Regional Office in Copenhagen, a Budget and Finance Officer post in New Delhi, and Finance Officer posts at its Regional Office in Brazzaville and International Agency for Research on Cancer in Lyon.

Duties of Budget Officers: The incumbent is responsible for the preparation of the financial input to the regional programme budget document; ensuring sufficient funds are available for implementation of approved programme pro-jects; ascertaining availability of funds and their obligations in accordance with financial rules and regulations; control-ling the financial situation; the preparation of required statements, preparing budget analyses and projections as a basis for management decisions; coordinating returns and other related matters with the Finance Department; staff supervision and training.

Duties of Finance Officers: The incumbent oversees all accounting activities such as banking and yearend closure; acts as focal point for the running of the administration and finance information system; interprets regulations; reviews and designs work procedures including systematic control and coordination within the sub-unit.

Qualifications required: Degree from a recognized institu-tion and specialized training in accountancy, business admi-nistration or government finance. Ability to initiate, plan and supervise activities. Ability to communicate concisely and clearly. Knowledge of computers with the ability to translate financial and budgetary procedures into specifications for computer applications. Membership of related professional body an asset.

Experience: At least 5 years progressive and responsible experience in budget or finance work at the international level. Experience of the UN system or of similar international level. nal organizations is desirable. Languages: Excellent knowledge of English, with good

Salary: An attractive package of salary, international allo-

wances, social security and statutory entitlements, is offe-A detailed curriculum vitae with photograph should reach the following office within two weeks of publication of this advertisement quoting reference "PRC/BFO":

Head, Professional Candidates World Health Organization Avenue Appia 1211 Geneva 27, Switzerland

(WHO Facsimile No. +41-22 791.0746) APPLICATIONS FROM WOMEN ARE ENCOURAGED

ADMINISTRATIVE SECRETARIAL POSITIONS

The Vice President of an International search company, seeks his Personal Assistant.

Fully bilingual French/English, the candidate should be used to high level contacts, she will show excellent organisation skills and be willing to take initiatives when appropriate. Please send your resume, photo and present level of compensation to: International Herald Tribune, Box D449, 181, av. Charlesde-Gaulle, 92521 Neuilly Cedex, France.

Building industry company (FF 350 million Tumover), part of an American Group (FF 4 hillion Turnover), we are looking for

an EXECUTIVE SECRETARY (Trilingual: French - English - German)

She will assist the C.E.O. and take charge of all the classical secretarial tasks letter writing, timetabling preparation and follow up of files, in a strongly international context. She will be between 35 and 40, well organized, having a sense of initiative and synthesis, exact and discreet.

Please send your application form in French and English (letter, resume, photo), under Box D.450, International Herald Tribune, 181 ave Charles-de-Gaulle, 92200 Neuilly-sur-Seine.

The work is based in Paris.

cond stra Bond S China h llion o gest dan tap its or erves, vs servic

rg f S

111

ive set a

Nation f

и героп

at goal n

ir gras

loomber 1 from B The sale o iction of m had be II Street mill Lync Stanley :а Ѕесилт

eou rou or B Agence EOUL —

Ounced

(age of m

ing up ket by b

utities of

ing new s

re Finan d said th lization : ng shares ıblic sale: s and ne unstitution ned for th 'ear will b uncial in l to buy sell, and s will be c ung down

n't leet US.

Oh it's exc ir eyes on t you as wel aething mor .e us irreși ree months. tand price!

SAVINGS -2 for 1 year

37

41

irman uttes call toll fr German regulations Offer ald Tribune ever onal Herald Tribs

Diners Club Di MasterCard D ; at current excha

_ Fax Tribune.

zu iniverse vi ibune

thy Cedex, Franc

41 43 92 10

THE WORLD'S DAILY NEWSPIPER

Gauging U.S. Aid to Russia

foreign aid to Russia? Russia's brutal war in Chechava is a heavy burden for anyone in Congress who wants to defend aid. The conflict between the United States and Russia over its misguided intention to sell nuclear reactors to Iran is another. Beyond that, the stories about super-rich Russian tourists splashing wads of \$100 bills on the French Riviera are hard to ignore. If America ended its foreign aid to Moscow, would that make any difference?

This year the United States will provide more than \$500 million to Russia. About \$200 million is Nunn-Lugar money, which helps to pay the cost of dismantling the nuclear weapons that used to be aimed at the United States. Those funds serve American interests directly. Another \$340 million goes into various kinds of technical and economic assistance, with varying degrees of usefulness.

Since the Soviet Union disintegrated, Western economic help to the Russians has been in general little and late. One perceptive watcher, the Swedish economist Anders Aslund, observes that the most important kind of foreign aid to the new Russia has been technical advice. It has played a big part in Russia's privatization of its economy. But the case for broad

What if the United States now ended its economic aid has become less persuasive. The Russians are through the first shock of the transition to a market economy. There has been no collapse, and signs of recovery are increasingly clear. Perhaps there was a period, immediately after Russia became independent, when generous financial aid from the United States might have done a lot to draw it much more rapidly toward the West. But if that large opportunity ever existed, it has faded.

At this stage, there remains a case for three kinds of aid. The funds for nuclear arms control and disarmament are well spent. Next. American advice in building the institutions of a free economy in Russia - a central bank or stock markets - is proving valuable and ought to be continued. Much of this advice is coming through private channels, although some of it requires public money. Finally, educational exchanges and the education of young Russians at U.S. universities are effective and produce long-lived benefits to both countries for a small investment.

But these are all sharply limited kinds of foreign aid, none of which involves large amounts of money even by the present standards of stringent budgets. They are the kinds of aid that can be justified.

- THE WASHINGTON POST.

Let's Hear From Clinton

Except for his tactically inept proposal to balance the budget in 10 years. President Bill Chinton has played the budget game pretty cannily for a person who lacks the votes to impose his will on Congress. Debate driven by the warring ambitions of Bob Dole, Phil Gramm and Newt Gingrich has brought the brutality of the Republican plan into full view.

But voters will eventually demand more of their president than deft tactics or a clever re-election strategy. Mr. Clinton will have to present a principled reason why they should care if he wins reelection. He must answer then, definitively, whether he agrees with Gingrich et al that the budget must be balanced soon and, if so, at what pain.

Mr. Clinton's best plan might also be the most honest approach for a Democrat. He can assure voters that he believes deficit reduction is not the only fiscal policy that matters. Balancing the budget by pounding working people or eviscerating public investment makes no sense.

The purpose of eliminating deficits is to cut federal borrowing that siphons money from corporate investment. But it accomplishes little to pump up private invest-ment by knocking down public investment in infrastructure, training, education and research. Mr. Gingrich may see little outside the military and law enforcement that the government does well. But most Americans are not so doctrinaire.

America can have declining deficits, compassion for the poor and public investment. It would take sizable cuts in military hardware and corporate subsicare industry to achieve these goals. What has been missing is presidential leadership to show the public that the Gingrich/Gramm highway will not lead to the twin destinations of a fair, healthy

economy and an effective government. Mr. Clinton's budget raises Pentagon spending and shies away from reforming Medicare and Medicaid, the federal pro-

grams most responsible for escalating deficits. He protected corporate subsidies, even though his Labor secretary brought the wasteful giveaways to the nation's at-tention. Political survival forced Mr. Clinton to meet Republicans part way by pro-posing to cut taxes by about \$70 billion, money better spent on deficit reduction or

education and training programs. The Republicans, to their credit, delivered on their campaign promise to balance the budget in seven years. But their evasions are still stunning. They propose huge cuts in Medicare, but fail to propose specific reforms of the program or of the health care system to achieve the savings.

Without reform, the budget cuts would ruin health care for the elderly and saddle everyone else with steeply higher insurance premiums. With reform, the GOP would achieve savings, but much too slowly to balance the budget in seven years. Here's where Mr. Clinton's brief flirtation with a longer horizon makes sense. Done correctly, entitlement reform will rack up large savings, but the deficit impact might be years away.

The Republicans sought to purchase votes by promising huge tax cuts — \$350 billion in the House plan, implicity \$170 billion in the Senate plan. They are designed to do little for investment and growth but a lot to trigger consumption that the economy does not need. To pay for these benighted tax cuts, the GOP would hack away at the country's science and technology infrastructure.

Mr. Clinton has identified these Republican missteps, but said nothing his limited political strength, he can tip the balance toward sanity and humanity. He can write a more honest budget that reflects what he believes the country truly needs. He still has the chance to enter the fray on the side of sensible deficit reduction and humane spending of whatever money Congress taxes and borrows.

- THE NEW YORK TIMES.

Science's Dwindling Funds

Cutting the funds for scientific re-search and technical development is difficult because they have no natural limits. More knowledge is almost always better. Cuts almost always risk future economic growth. As Congress works on next year's budget, it needs a sense of priorities to guide the diminished spending on research and development.

The United States currently invests about \$160 billion a year in R&D, a formidable effort. Slightly less than half of it is federal money, and most of the rest comes from industry. There are much smaller, although crucial, contributions from universities and foundations. But that total amount has not changed significantly since the mid-1980s, and in proportion to the size of the U.S. economy, it has been slowly declining. Now the decline is accelerating. It is not only the cuts in the federal budget. As The Wall Street Journal recently reported, industry also is reducing its support — and sharply. Over the past several years, premier corpora-tions in the high-tech fields have dimin-

ished their R&D spending substantially. How much should the country spend? What is needed is a general principle to measure adequacy. Experience suggests two. One is the competitiveness of the American economy in the world. Anxiety about U.S. competitiveness seems to have

gone out of fashion, perhaps a bit too soon. The new ability of American products to compete is partly owed to the fall of the dollar's exchange rate, an advantage that will prove only short-lived. To the extent that the new efficiency is owed to cost-cutting at the expense of companies' R&D, that may also turn out to be rather temporary. There seems to have been no similar slackening of R&D effort in the

other advanced industrial countries. Another criterion of adequate funding is whether it draws enough young scientists into the essential fields. A study last year by the National Research Council pointed out that in 1985 young scientists
— people under 37 — submitted 3,040 applications for research grants to the National Institutes of Health, and one out of every three was successful. In 1993 young scientists submitted only 1,389 applications, and just over one out of every five was successful. Maintaining the continuity of talent and progress in the laboratories does not seem to be a consideration so far in the great struggle over the budget.

It is necessary to balance the federal budget, just as it is necessary to enforce corporate efficiency. But it also is necessary to accomplish those things in ways that do not jeopardize the country's future standard of living.

-THE WASHINGTON POST.



International Herald Tribune ESTABLISHED 1887 KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

RICHARD McCLEAN. Publisher & Chief Executive JOHN VINOCUR, Executive Editor & Vice President WALTER WELLS, News Editor
 SAMUEL ABT, KATHERINE KNORR and

CHARLES MITCHELMORE, Deputy Editors . CARL GEWIRTZ. Associate Editor ROBERT J. DONAHUE, Editor of the Editorial Pages → JONATHAN GAGE, Business and Finance Edit + • RENÉ BONDY, Deputy Publisher • JAMES McLECD. Advertising Director JUANITA L CASPARL International Development Director • DIDIER BRUN, Circulation Director.

Directeur de La Publication: Richard D. Simmons Directeur Adjoint de la Publication: Katharine P. Darrow

International Herald Tribune, 181 Avenue Charles-de-Goulle, 92521 Neuitty-sur-Seine, France, Tel.: (1) 41.43.93.00. Fax: Circ., (1) 41.43.92.10; Adv., (1) 41.43.92.12. Internet: IHT to curriconate Editor for Asia: Michael Richardson, 5 Camerisary Rd., Sugapore 0511, Tel. (65) 472-7768. Fax: (65) 274-2334. Mng. Dir. Asia, Rolf D. Kramepudi. 50 Gloucester Rd., Hong Kong, Tel. 852-292-1188. Fax: 852-392-1190. Edit. Mgr., Germany: T. Schlüter, Friedrichen. 15, 60323. Frankfurth. Tel. (699) 72-67-55. Fax: (699) 72-73-10. Pres. U.S.: Michael Cornoy, 850 Third Ave., New York, N.Y. (1002, Tel. (212) 752-880. Fax: (212) 755-8785. U.K. Advertising Office: 63 Long Acre. London WC2. Tel. (171) 836-4802. Fax: (1071) 240-2254. S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Parimire No. 61337 © 1995, international Herald Tribune. All rights reserved. ISSN: (CP4-8052





At Last, an Opening for Budgetary Realism

WASHINGTON — When the House Republicans passed their big tax cut earlier this year, they were not at all interested in what President Bill Clinton or the Democrats had to say about it. They wanted the credit for doing what they said they would do in their "Contract With America." And they got it.

Now the time has come to pay both for the tax cut and for an even bigger promise, a balanced budget by 2002. Suddenly, the Republicans are whining that the president has refused to take the lead in cutting Medicare and Medicaid, which is what the GOP needs to

do to make any sense of its budget promises. Let's see: When it comes to passing around the goodies, the House Republicans are prepared to take full responsibility. When it comes to paying for the goodies, they want a Democratic president to take responsibility. And

they act shocked when he refuses to play along. It's a clever, if transparent, strategy. But the president and the Democrats would be fools to assume their assigned roles. So far, they have demonstrated unusual discipline in absorbing the Republicans' rhetorical fire and insisting that there can be no negotiations until the Republicans show the country exactly what they have in mind for Medicare and the rest of the federal budget.

If the Democrats hold firm and force the

Republicans to produce, the coming months could be immensely useful - useful for the voters, useful for the political debate, useful for finally producing a long-term solution to the deficit problem. The voters may actually be given some real choices about what and how much government should be doing.

What has been missing from the political debate for 15 years is a clear sense of how a Republican Party would keep all the promises it has made about tax cuts and smaller govern-

DARIS - "John Major in Dif-

editors leave unerased in their

computer banks, it is so regularly

needed. Yet Mr. Major also has a

grip today on what could prove

an accomplishment better than

anything Margaret Thatcher ever

did. He is closer to an Irish settle-

ment than any British prime min-

Mr. Major's latest difficulties

are due to his denunciation by

Lady Thatcher in the latest volume

of her memoirs. She says that he.

her chosen successor, has turned

apostate, abandoning the That-

cherite faith. The criticism was

Seriously difficult are the trou-

bles that have come from his re-

cent but imprudent appointment

of a committee, under an eminent

lawyer, Lord Nolan, to investi-

gate parliamentary morals. Lord

Nolan's report called for mem-

bers of Parliament to publish

their private sources of income.

which in many cases comes from

"consultancies" to business firms.

by two cases where members of

Parliament agreed to ask ques-

This investigation was inspired

predictable, the trouble minor.

ister in modern history.

By E. J. Dionne Jr.

ment. As long as Democrats controlled one or both houses of Congress, a large group of conservative Republicans could stand at the sidelines, clamor for more tax cuts, attack "big

government" and vote no on every budget.
What will be on the table now is not "big government" as an abstraction but Medicare, one of the government's most popular programs, and a long list of smaller programs with intense constituencies behind them. The coming budget fight will make clear that the choice facing the country is not, as the speaker often argues, between giving money to "bureaucrats" and letting citizens put more money in their own pockets. The so-called bureaucrats take a very small percentage of government outlays. The big money goes either to national defense or directly to the people for the things the people support, such as medical care and Social Security. The choices are over how much we want to spend on such things and how to pay for them.

Already the reality of making choices has strengthened the hand of Republicans who are serious about government, as against those who just like to attack it. The Senate budget committee chairman, Pete Domenici, is one such serious Republican, and his own budget proposal will start by putting off consideration of the big tax cuts passed by the House. It is hard

enough, he says, to get the budget balanced. On the other hand, even Mr. Domenici wants to finesse a large chunk of the Medicare issue. He has called for a bipartisan congressional commission to decide on changes in the part of the program that pays for hospital stays. This is a sophisticated way of further postponing the Republicans' day of reckon-

A Final Irish Settlement Would Be Major's Saving Grace

By William Pfaff

third — running far behind not only the reviving Labor Party but the Liberal Social Democrats.

John Major's misfortunes are

mitigated, though, by the consid-

eration that at the moment no sen-

sible person would want to take

his place as Conservative leader.

The party is so divided, especially

over relations to Europe, and so

corroded by the wear of 16 years

of uninterrupted power, that only

a very rash man would think he

could do better than Mr. Major

has done in holding a Conserva-

tive government together.

When the next general election

which must take place no later

than 1997 — is nearer, there

probably will be declared rivals.

Yet intelligent Tories know that a

period in opposition would be

The positive claim that must be

made on Mr. Major's behalf

comes from his courage in 1993 in

negotiating and signing with the Irish government what became

known as the Downing Street dec-

laration, stating that the future sta-

good for their party.

ing while also forcing Democrats to accept terms of debate set by Republicans. If the only issue such a commission decides on is how to cut Medicare, then all the other choices that should be at stake in this budget fight are relegated to a secondary position.

The Democrats will not give up the Medicare issue that easily. Of course they have their own purely partisan reasons for using it as a club against the Republicans. But the Democrats also have substantive grounds for arguing that (1) it is unfair and impractical to consider Medicare cuts apart from the broader problems in the health system, and (2) there is no point in even negotiating on Medicare if House Republicans insist that big tax cuts are a non-negotiable part of the deal.

Senator Bob Kerrey, a Nebraska Democrat who actually supports Medicare cuts, has said that bipartisan negotiations would be possible if the Republicans moved on those issues. The White House chief of staff, Leon Panetta, has sent similar signals. If the Republicans reject those terms, they will have to explain why. And therein will lie the beginning of the first truly honest budget debate the country has had in a long time.

When it comes to balancing the budget, Mr. Kerrey said, the choice is clear enough: "We either ask Americans to pay more, or we give them less, or some combination of the two." That obvious point was ignored in election after election because so many politicians kept insisting that government could be cut magically or that revenues could be increased miraculously by cutting taxes. Now the Republican budget makers will demonstrate conclusively that while Medicare exists, magical budget cuts and miraculous revenues do not. That in itself is a large step toward sanity.

The Washington Post

tions between the two govern-

ments and the political wing of the

Irish Republican Army, the Sinn

Finn party, and this past week has

produced direct talks between the IRA and a cabinet-level official of

The meeting took place in Washington Not only the British government, the IRA, and Sinn

Fein were represented, but the

main Unionist paramilitary orga-

nizations, the two big Unionist political parties, and the mainly

Catholic and nationalist Social

Democrats, opposed to violence.

This was the first time for all to be

John Major's ambition finally

part of the same political forum.

to answer the "Irish Question" is

still far from its accomplishment.

But he has made a solid beginning

and the political auguries are rea-

sonably good. Terror now is

counterproductive for the IRA.

People both in the North and in

Eire want a settlement. The

southern Irish government has promised to deal with its consti-

tution's claims to sovereignty over the entire island, which so

frightens the northern Protestant

unionists. London and Dublin

have agreed that the people of Northern Ireiand will have the

last say on what occurs there.

the British government.

Silly Plans To Silence a Policymaker

By Anthony Lewis BOSTON — The Articles of Confederation, which joined the American states together in 1781, assigned the running of foreign affairs to Congress. The idea was such a failure that in 1787 the

framers of the constitution made the president the principal voice of the United States abroad. Now the Republicans who control Congress are trying to move us back toward the Articles of Confederation. That is the thrust of a bill on which the House has begun work, the American Over-

seas Interests Act, and of the

equivalent Senate bill. The legislation would give di-rections to President Bill Clinton on a long list of matters. They range from tiny questions of detail to major policy issues.

One section, for example, directs the president to recognize Tibet as a "sovereign country" and send an ambassador to the Dalai Lama's "government" in exile.

Many of us condemn the Chinese occupation and cruel mistreatment of Tibet. But to recognize it as an independent country would be a break with history, a step with grave destabilizing consequences for relations with China.

Another provision would limit aid to countries that engage in intelligence activities in the United States. Most diplomatic missions in Washington must have intelligence officers on their staffs. Who can tell what the effect of this murky language would be? The House bill is full of efforts at micromanagement.

Legislative intervention in foreign policy is a distinctly American phenomenon. In its modern form I believe it can be traced to the Vietnam War. Abuse of executive power there led to assertions of corrective Congressional power.
President Lyndon Johnson

said he would not use the Tonkin Gulf Resolution as general authority to make war in Indochina, and then he did. As he and President Richard Nixon spent more and more lives, Congress eventually put restrictions on bombing and other war activities.

The lesson of the need to respect the undoubted authority of Congress over the making of war. was not learned. In the Gulf crisis, President George Bush made the outlandish claim that he did not need congressional authorization to ware a massive war.

Human rights concerns also sparked congressional action. Mr. Nixon and Henry Kissinger were so friendly to such dictators as General Augusto Pinochet in decided by the people who live Chile that Congress began impos-

But today's legislation carries the pattern to an extreme. Even scholars who have warned against abuse of presidential power agree the president has plenary power in some areas of foreign policy, notably in diplomacy and recognition.

Partisanship is undoubtedly behind the extremism of the moment. The newly empowered Republicans in Congress see a chance to write every odd item on their wish list into law.

Secretary of State Warren Christopher was moved to speak out, calling for a veto that the president then threatened, not only because he is in this administration but because he is a lawyer concerned about the constitutional separation of powers.

"Congress does have a role in foreign policy," Mr. Christopher said in an interview. "But it is unworkable and unconstitutional to dictate where we put our diplomatic missions or with whom the president can negotiate. Other countries are entitled to rely on the voice of the president."

secretary of state in a Republican administration, put it more blunt, ly. "The House has gone crazy," he told National Public Radio. "The restrictions and demands on the president are an absolute attack on

pended debate on the bill this past week, so perhaps they have been moved by the reaction against its excesses. Even partisans may stop short of making the United States look silly to the world.

A Day to Think About Gary Gordon

tions in Parliament (serving par-

ticular business interests) for

money, and not a great deal of

money at that. In addition there

have been a series of sex scandals

Mr. Major welcomed the No-

lan committee recommendation

and was immediately confronted

with a rebellion by rank-and-file

Conservative members of Parlia-

ment who do not want their busi-

ness interests made public, and

who say that any abuse of parlia-

mentary rules should be handled

within the House of Commons.

firmed his position, and so the

matter stands. However, Mr. Ma-

jor also had imprudently made

the Nolan committee an ongoing

affair, and it now wants to inves-

tigate where the Conservative

Party gets its money, and not even Mr. Major wants that.

Earlier, at the beginning of May, Mr. Major was in trouble

because the Conservative Party

had plunged to still another elec-

toral defeat, this time in local

The prime minister has reaf-

among Conservative MPs.

By Douglas E. Kneeland

T INCOLN, Maine - For much of the United L States, it seems, Memorial Day has come to mean the unofficial start of summer, a holiday to spend at the beach or in the yard. Today I'm thinking about someone in particular: Gary Gordon, a young man who left this town, his hometown - and mine - to join the army in 1978, when he was 18 years old.

Lincoln is a pulp-and-paper mill town of 5,500 tucked among the fir forests and springfed lakes of northern Penobscot County. Gary attended the local high school and was a running back on the football team. He liked to draw and doodle and sometimes his teachers thought he did too much of it in class. His mother, Betty, says his favorite subjects for drawing were military: guns and tanks and things. That could have been a hint of his later career path, but in the years of the Vietnam War a lot of young boys were attracted to the military.

Still, Gary's interest may have surpassed that of the others. He liked to read and regularly rode his bike to the library to borrow books.

A while back a friend of Gary's was seeking some information on the Medal of Honor at the library and found what he was looking for in an Army Information Digest pamphlet published in 1962. Checking the card in the back, he discovered that the last person to take out the publication was Gary Gordon, on Oct. 1, 1971. On Oct. 3, 1993, 22 years and two days after he borrowed that pamphlet, Master Sergeant Gary Gordon of the army's elite Delta Force died along with 17 other Americans in a battle in Mogadishu, Somalia. Seventyfive soldiers were wounded. He and his partner, Sergeant First Class Randy Shughart, were lowered down from a helicopter in the midst of the bartle and killed as they sought to rescue wounded members of the crew of another helicopter. In a ceremony at the White House on May 23

elections. It did no better than tus of Northern Ireland would be

last year, President Bill Clinton awarded Medals of Honor posthumously to Gary and Randy "for conspicuous gallantry and intrepidity at the risk of life above and beyond the call of duty." The medals were given to their widows, Carmen Gordon and Stephanie Shughart. Gary's children, Ian and Brittany, were there, as were his parents, Duane and Betty Gordon. These are the only Medals of Honor that have been awarded for acts of valor committed in the vears since the Vietnam War.

In Duane and Betty Gordon's living room, there's a small display of a flag that flew over the army compound in Mogadishu, one of Gary's green berets and other mementos. A drawing he did a few months before he was sent to Somalia has a prominent place on the wall. It shows men in battle with a helicopter hovering in the background lowering reinforcement troops on ropes.

On Oct. 14, 1993, Gary Gordon was brought home to Lincoln. "I was overwhelmed when I came into town that night and saw the crowd downtown in the rain and the cold," Betty said. Her eyes moist, she added, "You raise a child and then suddenly you're sitting in a car alone."

She said some people ask why Gary wasn't buried at Arlington National Cemetery. She tells them: "He didn't want to be. He wanted to be brought home here." So he came home to lie in the cametery on West Broadway, not far from the center of town and the library where he borrowed books on battles and the Medal of Honor.

Mr. Kneeland was a reporter and editor at The New York Times for 22 years. This was adapted from his column in The Lincoln News.

ancient war between British colomalism and Irish nationalism comes to an end, John Major will have made history on a big scale, presiding over the end to nearly

If this effort succeeds, and the

800 years of destructive struggle between England and Ireland. International Herald Tribune

D Los Angeles Times Syndicate,

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: New War Vessel

LONDON - The Evening Standard reports that Messrs. J. and G. Thomson launched from their Clydebank yard yesterday [May 28) the first-class cruiser Terrible for Her Majesty's Government. The length of this great war vessel is over all 538ft, depth to the upper deck 43ft. The displacement is 14,250 tons. The total of men and officers will number 900. The 25,000 horse-power engines will develop a speed of 22 knots an hour. The cruiser Terrible far exceeds, in size and power, any vessel of her class in the British navy.

1920: For the Children

WASHINGTON - Bars over the windows of the President's bedchamber caused the circulation of a wild story by a newly arrived newspaperman in the national capital, who conjured up

scenes of violence and midnight ravings, which have set the White House into a gale of laughter. As a matter of fact the bars have been over the windows for a quarter of a century, and according to an old attache, were placed there to guard against children in the executive mansion failing out.

1945: Clashes in Syria DAMASCUS -- French troops

fired on the people of Hama, 150 miles north of Damascus, and the populace then attacked the French garrison, Jamil Mardam Bey, acting Premier of Syria, announced in a statement today [May 28]. It is believed here that if the flare-up at Hama grows, violence will spread throughout Syris and to Lebanon. The French descended on Hama because it is a particular center of patriotic fervor. The hardest struggle, however, is likely to occur in Damascus.

PRODUCT:

TAKES A m 1 - 5 - -

1133 - Υ. τ. 5::25...

7:3

5 A ...

....

being section of the section of the

White the second

Ne.

AUE -

MCC.

The second second

B B :-

Red at

act.

Sociation of the second

IN: CL

A Alexander

State of the state

Grand Co.

Met Care Age

. .

THE TOTAL

To plant to the second

to the state of th

Residence of the second second

Period Cons

Part Control

But he was

Manager of the second section

Marie Control of the Control of the

In the second se

Ü H

ding p

in the

Print.

Act

Company

Dec .

ie (;

Affarren

ACC NOT 281 - DP Siljer og e 201. 517 -ر د این این این در Miles and the second Little Committee THE STATE OF THE STATE OF

Lawrence Eagleburger, the last the separation of powers."
House Republican leaders sus-

The New York Times.

rge

f Šta

1**tr**o

ve set a targe

ப் reports hav

ai goal may b

eir grasp, w oducts a majo

Bond Sale I

China has so llion overse

ned at financi gest dam pro tap its own fo

erves, a sta

loomberg Bus

t from Beijing he sale of bon

iction of the

n had been a

rrill Lynch &

Stanley & Co

a Securities C

eoul T

rough

or Bor

EOUL - Sou ounced a le

ing up its s ket by buyin itities of new

ing new stock

ne Finance a

d said the s

lization fund

ng shares Mor blic sales of

s and new is institutions th

ear will be pu

nancial institu

to buy mor

sell, and th

s will be contr

iing down sha

leeti

Oh it's exciting

you as well. C

rething more s

e us irresistib

ree months, or

tand price! So

37

41

40

32

37

50

41

33

Offer

ald Tribune every da

onal Herald Tribune

Diners Club D V

at current exchang

3 mon +2 we FRE

1,8

4,2

1.0

21

145.00

4.20

23

14.00

14,50

14,50

1,000

185

90

Street inve

'Underground' Takes

Cannes' Golden Palm

Compiled by Our Stuff From Dispatches

Festival on Sunday.

Shanghai Triad '

LOS ANGELES — Isadore (Friz) Freleng, 89, who helped

cation of Yosemite Sam, died

the history of the film cartoon,

With Chuck Jones, Bob

Friday. He was 89 years old.

for "The Madness of King George."

British director Christopher Hampton.

CANNES - "Underground," a film by the Sarajevo-born director Emir Kusturica on the breakup of Yugoslavia, won the Golden Palm award at the 48th annual Cannes Film

The best-actor prize went to Jonathan Pryce for his role as

the eccentric gay writer in the British film "Carrington," while

the British performer Helen Mirren was named best actress

Currently seeking French nationality, Mr. Kusturica re-fuses to be described as a Bosnian. "I was born a Yugoslav

and I am going to die a Yugoslav," he said. He was voted best director at Cannes for his 1989 film "Time of the Gypsies."

Among other winners at the 12-day festival, the French film

"N'Oublie Pas que Tu Vas Mourir" ("Don't forget you're

going to die") by the director Xavier Beauvois won the Jury Prize. The Special Jury Prize went to "Carrington" by the

The award for best screenplay went to Mathieu Kassovitz

The Golden Camera award, for the best new director, went

of France, who wrote and directed "La Haine" ("Hatred").

to Jafar Pahani of Iran for his film "The White Balloon." The

Chinese director Zhang Yimou took the technical prize for

The 10-member jury was headed by the French actress canne Moreau. (AFP. Reuters)

Isadore Freleng Dies,

Created Film Cartoons

JU.S. Looks on as Europe Ponders Next Move in Bosnia

By Steven Greenhouse New York Times Service

WASHINGTON - The Clinton administration, which has been the loudest and most persistent voice in favor of air strikes against the Bosnian Serbs, has found itself sitting on

NEWS ANALYSIS

the sidelines as the European allies and the United Nations pondered hard choices about how to deal with Serbian retali-

Ever since Yugoslavia first began splitting apart during the Bush administration, the bottom line of American policy has been to minimize the risk for the United States. With peacekeeping troops from Britain, Canada, France and others on the ground and in the line of fire, those nations have the final say on any military action that could further endanger them.

The Europeans are torn as well between choices that all seem to be bad.

The new president of France,
Jacques Chirac, took the lead
for the alliance by sending a flurry of ambiguous signals, among them calling on the Serbs not to increase the violence, while authorizing French commanders to shoot back and call in NATO air strikes.

Canada, concerned about the fate of its soldiers taken hostage, reaffirmed the support it had only reluctantly given to the air strikes.

The U.S. defense secretary, William J. Perry, flew to London to consult with British officials after discussions in Italy with NATO. Secretary of State Warren M. Christopher con-sulted with NATO's secretarygeneral, Willy Claes, and diplomats here and in Europe considered their options.



Residents of Tuzla, who were paying respects to those killed in Thursday's shelling, scramble for cover as Bosnian Serbian artillery opens up again.

et urging of resolve and a low public profile. Having pushed for a course of action that has put peacekeepers at risk, there is no desire to be seen forcing its allies into any course of action that could cause more deaths.

President Bill Clinton made no mention of the conflict Saturday in his weekly radio address, and senior administration officials mostly stressed the extent to which decisions on the topic were out of their hands.

While the current crisis is certainly more painful to countries that see the television broad-But the U.S. role at the mo-ment seems limited to some qui-or in chains, it is proving emcasts of their soldiers under fire to the administration.

There had always been a contradiction between the overall goal of minimizing risks and other American goals in Bosnia, most notably the preservation of the relative calm around Sarajevo and the preservation of some of NATO's credibility after the United Nations had squandered its.

Watching the retaliation after having pushed for the air attacks, American officials found comfort mostly in reviewing just how bad the alternatives to their recommenda-

EUROPE:

tions had been.
"We still think the air strikes

were the right thing," a senior the conflict. In addition, some administration official said. European countries are arguing Yes, the situation has deterio-more than ever that the United rated with the air strikes. But States should contribute troops the situation was going to con- to such an effort, but Clinton tinue deteriorating if there were administration officials insist no air strikes."

The choices now boil down to consideration. offering concessions to the Serbs in return for the release of the hostages or far stronger but only quietly, by some UN soldiers in Bosnia.

Some officials support sending in emergency NATO troops and France have suggested in to free the hostages, take on the recent days that their mission Bosnian Serbs and teach them a should be expanded so they lesson. That runs the danger of could more forcefully defend making NATO a clear party in themselves and stop Bosnia's

Serbs or Muslims from flouting UN rules. The administration has a strong interest in convincing its European allies to keep their

that that option is not under Whatever bappens in the next few days, the United States and its allies face the intractable

American officials acknowledge, it will be the British and

give life to a menagerie of such madcap cartoon characters as Bugs Bunny, Daffy Duck, Sylvester and Tweety Bird, and who also became the personifi-

contingents in place: If they, or the United Nations, decide to pull the troops out, the United States has pledged to send in thousands of American troops as part of a huge NATO force that would help cover such an evacuation. But even on this most politi-

cally volatile of questions, some French who call the shots on the future of the peacekeepers.

operating out of offices that the artists dubbed Termite Ter-Mr. Jones said each of the

four had had a special charac-

"Friz's was Yosemite Sam," he said. "We would tease Friz that if he ever exploded, the result would be similar to what Sam did when he was angry."
At his death, Mr. Freleng had

"The Pink Phink," a cartoon featuring the Pink Panther character that he had created. Mr. Freleng began drawing for a living in his native Kansas City, Missouri, moving to Hollywood in 1927.

He worked for Walt Disney for two years before founding the Warner Brothers animation studio as head animator in 1930 Clampett and Tex Avery, Mr. along with Rudolf Ising and Freleng was a primal force in Hugh Harman.

Mr. Freleng animated the first Looney Tunes cartoon, "Sinkin' in the Bathtub," in 1930, and moved from animator to director in 1933.

In that position he synchronized music and film in the Merrie Melodies series.

Edgar Scott, 86, a prominent investment banker who was husband of the socialite Hope Montgomery Scott, died of earned four Academy Awards pneumonia on Friday in Rad-

AMERICAN TOPICS

17.5

100

. ... <u>.. v</u>

شندندار. تجانبان

: ::=

122

Communion Cup **Holds Health Risks**

Dipping a wafer into the Communion cup does not abolish the risk of infection aboush the risk of infection to the communicant, but it is safer than sipping wine from a common sup, according to a study reported by Lawrence K. Altman, medical correspondent of The New York Times.

professor of microbiology at Felician College in Lodi, New Jersey, undertook the study. The potential hazards from sipping communal wine have been the subject of religious debate and scientific investigation for more than a century.

Most wine used for Communion is fortified with a higher alcohol content than table wine to kill microbes, and ministers use other measures, too, to reduce the risk, Dr. Loving said. She had 45 volunteers dip

wafers into wine. They purposely did not wash their hands first, since communicants have no opportunity to do so. Fingertips, wine and wafers were then tested for bacterial growth. All wafer cultures grew bacteria, but the wine did not. The greatest risk was sipping from a common cup, followed by dipping the wafer by the minister and then dipping by the parishioner.

Although scientific and religious articles have described dipping the water into the wine as "completely safe," such statements were based on assumption, not on laboratory tests, Dr. Loving said in reporting her findings to the American Society for Microbiology.

Continued from Page 1

trade officials in Geneva, pref-

erably under the auspices of the

World Trade Organization,

But the United States is not

U.S. officials think that the

nearer the June 28 deadline, the

better are the United States'

in as much of a hurry and would

rather meet in Washington than

in Switzerland or Japan.

U.S. automakers see it.

early as this week.

pressed a preference to meet as in an increasingly competitive

Short Takes

Steven Spielberg, produc-er of "Schindler's List," is compiling a visual history archive to preserve the stories of Holocaust survivors. Two-hour interviews with survivors are being recorded. Once filmed, the tapes are shipped to Los Angeles. where they are bar-coded, catalogued and logged into a database. Mr. Spielberg calls the project "the most mean-ingful thing I've ever done."

Mike Tyson, the former heavyweight boxing champion, attended the graduation Saturday of his fiancée, Monica Turner, 29, from the Georgetown University School of Medicine. The cercmony was closed to the media to avoid what the school said had been "disruptive and disrespectful" press be-havior at the 1991 gradua-tion of William Kennedy Smith, a medical student facing sexual battery charges in Florida of which he was later acquitted. The independent Georgetown student newspaper support-ed the press ban, saying "friends and family of the graduates were pushed out

Three hours into deliberations, a juror at Wilma Baxter's shoplifting trial in San Francisco noticed something suspicious in a crucial prosecution evidence photo supposedly taken Nov. 22. The photo showed a newspaper covering six bottles of liquor allegedly stolen Nov. 29. The newspaper was published this month, May 10, advertising strawberries at a seasonal 69 cents a pound and displaying a Mother's Day advertisement. Prosecutors immediately dropped

of the way by media at-

tempting to get a glimpse of

the case and said they were investigating where the photo came from. International Herald Tribune

KANTOR: U.S. Wants New Talks After G-7 Meeting

U.S. luxury divisions — Toyo-ta's Lexus, Nissan's Infiniti and

Honda's Acura - have been

Saving Face Continued from Page 1

it is not turning out that way," a Muslim diplomat said Sunday. Since no oil is at stake in Bosnia, he said, Western governments seem resigned to treating the Serbs as the regional power.

A U.S. official agreed that Western governments seem likely to abandon the idea, long defended at NATO, that air strikes should be intensified to intimidate the Bosnian Serbs. In future, he said, NATO's role seems likely to be reduced to leaguered UN forces.

That will be part of the price for a Russian success, which American officials said conficow's power, in obtaining the release of the UN soldiers held

Meanwhile, France's demand for a redefinition of the peacekeeping mission, which the new government under President Jacques Chirac is presenting as its main break with previous policy, will carry over-whelming political weight. The 3,000 French troops in

Bosnia comprise the largest national contingent in the 23,000man peacekeeping force. The Clinton administration, in particular, wants them to stay because it hopes to avoid a NATO mission to extract them, for which Washington has promised support, including ground

Politically, the effect of falling back to a perimeter around Sarajevo would dash prospects of anything more than a symbolic state for Bosnia's Muslimled government. That outcome has long been quietly viewed by the French and British authorities as the natural and inevitable result of Serbian predomi-European reactions focus as much on UN ineptitude as on

Serbian actions.

BOSNIA: Crisis Deepens as More Hostages Are Taken over heavy weapons banned in the streets attending funerals

Continued from Page 1 when Serbs, disguised as blue-

helmeted peacekeepers, took control of the post. One French soldier was

killed in an attempt to recapture it, and the United Nations said that four Bosnian Serbs were also killed. The Serbs abandoned the emplacement Sunday, but kept 10 captured French soldiers.

General Mladic demanded an apology for the death of the Serbian soldiers, which of course General Smith was not prepared to give," the official said. "General Mladic seemed unable to grasp that the Serbs initiated the battle."

The Serbs have not complied with any of the conditions set in strikes began. Rather than hand day when many mourners were them.

flanking the stage. "Your bud-

dies brought you, and suddenly

you make your decision to say,

life," he said. "Your wife is go-

ing to notice. Your kids are go-

ing to notice."

They stood and sang the

"I'm not a creature of brute

"Now as his man, I'm des-

They had learned the hymns

from the cassette tapes mailed

to them in advance with their

conference registration packets.

ally multiracial mix of gospel, traditional and salsa, and most

men sang heartily, some in Tshirts reading. "A real man
sings REAL LOUD."

"A real man, a man's man, is
a godly man," said Mr.
McCartney, the founder of

Promise Keepers, at a news conference. "A real man is a man of substance, a man that's

vulnerable, a man who loves his

Russia Set to Join

The tunes were an intention-

"Think of the change in your

Jesus be my God."

words:

chance or lies.

tined for the skies."

from the Sarajevo area, they have taken 200 more big guns and mortars from so-called UN weapons-collection points since the first NATO air strike. The Serbs have cut off elec-

tricity, gas and water to Sarajevo since the NATO bombing last Thursday, and tightened their noose around the city. The one government-held road into town -a small mountain track - is being regularly fired at with heavy machine guns and mortars.

The worst single shelling incident of the war, in which 71 neople were killed in the north-Thursday night, was followed Sunday by more Serbian shell-

for God and is willing to lay down his life for him."

and budget have roughly dou-

bled every six months for the

Keepers golf shirts and baseball

out commitment cards vowing

to keep the "Seven Promises of

a Promise Keeper": honor Jesus

Christ: have close male friends:

practice spiritual, moral and

sexual purity; be faithful to wife and children; support the

church; defy racial and denomi-

national barriers, and go out and encourage the world to do

The genius of Promise Keep-

ers is "the disciplined lifestyle they set before these men as a

challenge," said Robert M. Franklin, director of black

church studies at Emory Uni-

versity's Candler School of The-

ology.
"Men like tests, they like

competition, so there's this dy-

namic at work," he added.

"They make demands on these

men, and they provide signifi-

cant psychological rewards."
Some women's groups criticize Promise Keepers, but not

for holding men-only events.

The problem is the message

that men must take back con-

trol of the family, be the head,

the boss," said Rosemary

the same.

Some 65,000 men have filled

The Promise Keepers staff

of those killed last week. Mr. Ljubijankic, the Bosnian

foreign minister, became the plus a special Oscar for the nor, Pennsylvania. second member of the government killed since the war began in 1992. In January 1993, Hakija Turaljic, the deputy prime minister, was killed while supposedly under the protection of French peacekeepers near the

Clandestine, nocturnal heli-copter flights between the Mus-lim enclave of Bihac and Zagreb have been going on for many months. They are widely used to resupply the isolated eastern town of Tuzla last enclave with weapons. Technically, the flights are in breach of the NATO-enforced no-fly ing of the town. One person was zone over Bosnia, but NATO dently Sunday was within Mos- a UN ultimatum before the air killed and two wounded on a has tended to turn a blind eve to

> MEN: Making the Saving of Souls a Masculine Pursuit wife, a man that has a passion Dempsey, national action vice for God and is willing to lay president of the National Organization for Women, in an interview last week. "It's a notvery-well-cloaked misogynistic message."

Critics cite a passage from the book "Seven Promises of a last four years, peaking now at 150 people on a \$22 million Promise Keeper" by Tony Ev-The group's operators take ans, directed to men who have orders for New Man magazine. abandoned or ignored their books on living godly lives, cas-settes and CDs and Promise

"I'm not suggesting that you ask for your role back; I'm urg-ing that you take it back," Mr. Evans wrote. "Treat the lady gently and lovingly. But lead."

OUAKE: Russian Island Hit Continued from Page 1 to buildings in Okha, but Nefte-

gorsk was far more heavily damaged.

Reports said more than 200 rescue workers from various points in Russia's Far East had with six helicopters and more than 10 airplanes. More search teams were said to be headed toward the town, although heavy fog and freezing nighttime temperatures were said to be hindering the search for sur-

cotheque full of young people in a two-story building was destroyed in the quake. The local police station was also reported to have been leveled by the tremor but the local hospital was said to have survived. Telephones and other means of communications with the town were cut.

Interfax reported that a dis-

The earthquake was the third big tremor in the region since

More than 5.000 people were killed in Japan's port city of Kobe in January, and a separate quake struck a thinly populated part of the Kuril Islands off the northern tip of Japan in October, killing at least 11 people In January, Russian officials had predicted a big quake would strike the region this

Sakhalin, just north of the Japanese island of Hokkaido, was the scene of one of the Cold War's tenser moments in 1983, when Soviet leaders ordered a fighter jet to shoot down Korean Air Flight 007 when it strayed over the island.

All 269 people aboard, including 61 Americans, were killed. The jet fell into the sea off the southwestern coast of the island, several hundred miles south of the earthquake

Soviet and U.S. officials traded accusations over the incident for months, with Moscow insisting the plane was on a spy-

It's never been easier to subscribe

TO OUR READERS IN GREAT BRITAIN and save. Just call toll-free: 0 800 89 5965



Fifth Avenue at 55th St., New York NY 10019, U.S.A. Tolliner: (800) 262 9467 (U.S.A. only) Tel: (1-212) 247 2200 Fase (1-212) 903 3949 The Pennsula: Hong Kong . Manita . New York . Beverly Hills . The Palace Hotel Beyong . The Kowloon Hotel Hong Kong

Tribune, illy Cedex, France. 41 43 92 10

Licenson bung

Agence France-Presse

TOKYO - Twenty-four countries, including Russia, will

the Coordinating Committee

Talks on Creating Heir to COCOM

begin talks in late August or early September on setting up a mechanism to regulate exports of conventional weapons and related goods, a report in the Yomiuri newspaper said Sun-The mechanism is to succeed

for Multilateral Export Controls, or COCOM, a Western group that worked to restrict strategic exports to the communist bloc during the Cold War. COCOM was disbanded in March 1994. The formation of a new

Russian arms sales to Iran.

DEATH NOTICE Patrice BACHELARD Chevalier des Arts et des Lettres died in Paris on May 10, 1995 at

May 30, 1995, at 6:30 p.m. at the Eglise Saint-Roch.

He is survived by his parents, Mr. et Mrs Jean-Claude Bachelard 550, chemins des Groux 78670 Villennes-sur-Seine

the age of 43 A mass will be celebrated in his

296, rue Saint-Honoré Paris 75001

group has been delayed by a Washington-Moscow feud over

memory on

and his sister Isabelle Bachelard,

THE WORLD'S DAILS NEWSPAPER

court. They can open their market, or take the tariffs." The cost of the tariffs could panies also have said that if the run as high as \$5.9 billion. That tariff were imposed retroactive-

Representatives of the Association of International Auto- taking a financial gamble by mobile Manufacturers and the American International Automobile Dealers Association have even suggested that 100percent tariffs could put U.S. dealers of Japanese luxury au-

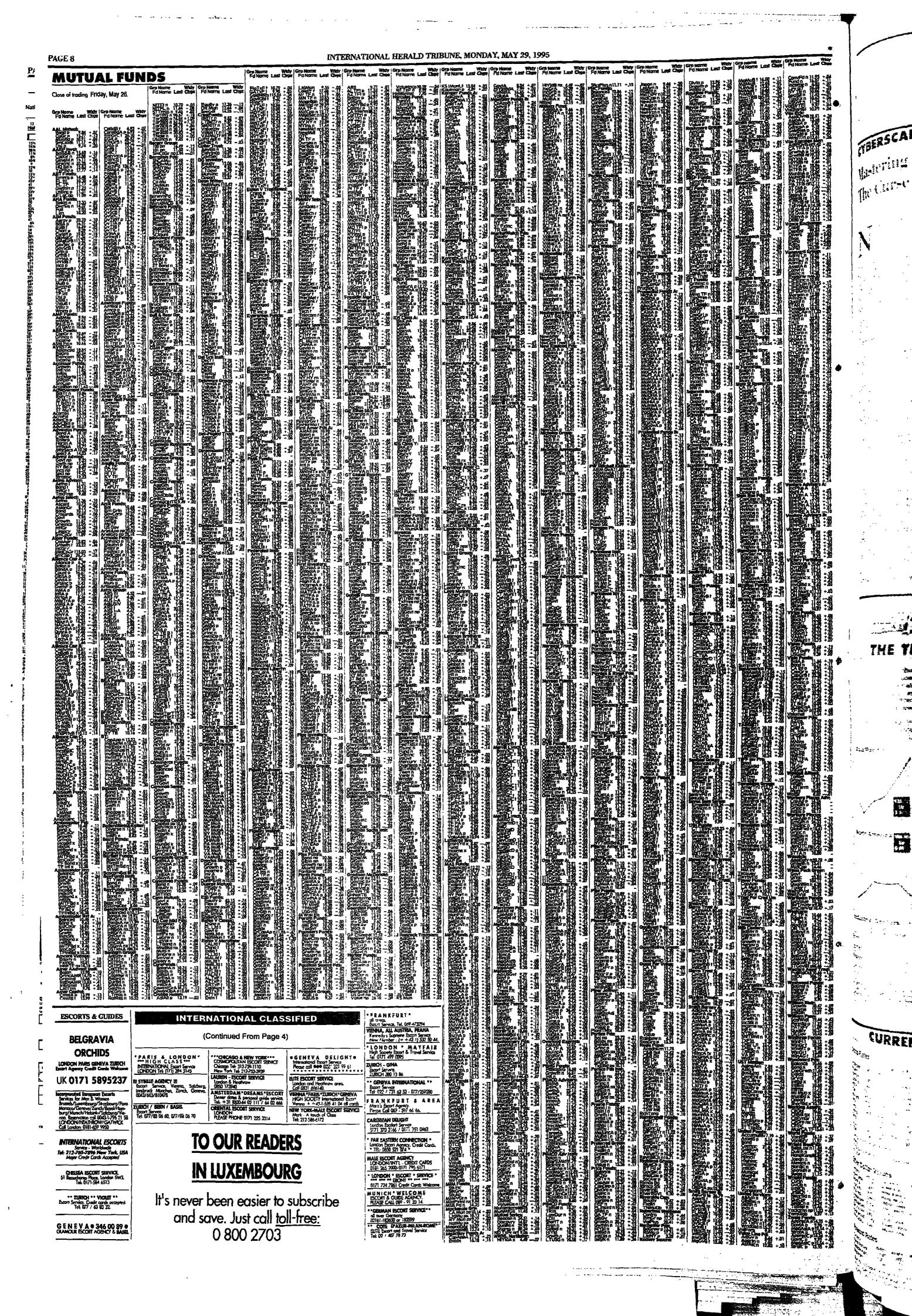
chances of getting Japan to open its auto market to more tos out of business. American cars, trucks and auto Yet, in the face of that threat, parts. At least, that is how some Toyota Motor Corp. and Nis-"I hope there is a settle-ment," said a U.S. auto execu-they would continue to ship tive, who insisted that neither their luxury cars to the United he nor his company be identi-fied. "But the ball is in Japan's posed tariffs would be retroactive to cars that arrived in the States after May 20. The com-

would be an onerous burden on ly, they would absorb the cost Japanese automakers, whose of those levies.

"We've decided to go with business as usual," said a U.S.based Lexus spokesman, Wade winten runctions as an international trade court, and have exworks out. Mr. Hoyt said he was aware

that his parent company was continuing to ship cars. But not shipping cars would guarantee that Lexus dealers would have nothing to sell, and dealers with nothing to sell go out of busi-ness, Mr. Hoyt said.

Read the MONEY REPORT



PACE 9

Herald Eribune **BUSINESS / FINANCE**

MONDAY, MAY 29, 1995

CYBERSCAPE

Mastering the Millennium: The Curse of 2000's Zeros

EW YORK — As 2000 gets closer by the day, more computer engineers are trying to fix what looks like a simple problem but could turn into a back-to-the-future nightmare. Many computer programs calculate years from the last two digits, such as "95" for 1995. But when 2000 arrives, the year will be represented by "00," and the huge number of programs that make calculations based on higher year values, such as 95 minus 45 equals 50, will produce wrong answers.

For example, a computer in 2000 might think a person born in 1970 is 70 years old if its program automatically used the bigger

number to begin a calculation, such as 70 minus 00 equals 70. If a pension fund company's com-puter program did that, a 30-year-old could start getting retirement benefits. How about a January 2000

Businesses may spend \$100 billion to correct programs.

monthly mortgage check written on Dec. 31, 1999? It might get bounced because a bank computer thinks the check is 99 years old and therefore no good.

Some product executives have been warning about the date dilemma for years. But lately, big computer companies also have brought more attention to it, raising awareness among clients that a possible crisis looms.

The trouble is that just fixing a computer program is not enough. All the data accompanying the program, which sometimes means millions of records or transactions, must be changed as well.

In addition, if a company shares data with someone else, such as an oil driller reporting production to a state agency, both must ensure that any changes are compatible with each other's computers. "In the grand scheme of things that need work, I think this is on

the large side," said Ron Rudman, an engineer in the technology architecture division of Electronic Data Services Corp., the largest U.S. computer-services company.

Garmer Group, a technology research firm in Stamford, Connecticut, estimates that large businesses will spend \$100 billion in the next five years — now more like four and a half years — trying to correct their programs. Government agencies may need to spend a similar amount, although Gartner has not done a precise study for them.

In a survey for the computer-services company Cap Gemini America Inc., only a third of the 201 large and medium-sized companies surveyed had assessed the "2000 problem." "We think it's going to hit the fan in 1997, at which time we think there will be unlimited demand for limited resources," said Bill Goodwin, editor of "Tick Tick," an industry newsletter devoted to the issue.

120

119

Internet address: CyberScape@iht-lib.demon.co.uk

International Herald Tribune

World Stock Index, composed 125

of 280 internationally investable 124 -

Week ending May 26, daily closings. Jan. 1992 = 100.

industrial Sectors/Weekend close

5/25/95 5/19/95 % close change

Energy 125.77 123.68 +1.69

Utilities 133.85 130.98 +2.19

Finance 123.08 118.69 +3.70

Services 113,82 112,89 +0,82

129

stocks from 25 countries, 123

U.S. Fed Still Wary On Prices

By John M. Berry

WASHINGTON — Even with economic growth clearly slowing, Federal Reserve documents suggest that policymakers may be reluctant to cut short-term interest rates, as some analysts are suggesting, until it is clear that the risk that inflation could move noticeably higher has faded.

Two months ago, when evidence of slower growth was just beginning to emerge. Fed officials were concerned that the economy was operating in dangerous inflationary territory, according to minutes of the March 28 policy-making session released Friday.

As a result, the Fed's top policy group, the Federal Open Market Committee, voted unani-mously to give Chairman Alan Greenspan more room to raise short-term interest rates between then and the committee's next meeting, which was held Tuesday. At that session, however, rates were again left unchanged and no announcement was made about whether the committee was leaning one way or the other on possible future changes.

With mounting evidence that growth has slowed, including reports last week of falling orders for manufactured goods and ris-ing claims for jobless benefits, a number of economists and financial analysts said the economy was in danger of slipping into a recession if the Fed did not lower short-term rates.

At the end of March, however, most of the committee members still felt that "the economy retained considerable forward momentum," the minutes said.

Germany's Power War Protests Ignite Debate on Nuclear Energy

By Brandon Mitchener

MUNICH - To Otto Majewski. a utilitycompany executive, the weeklong violent protests that marked the transportation of nuclear waste to a storage site in northern Germany this month were the first skirmish in a growing struggle over the shape of the country's industrial future.

The so-called Castor shipment, one of about 70 such consignments that occur in Germany every year, this time required the deployment of 10,000 policemen and cost 55 million Deut-sche marks (\$40.1 million) in additional security. Some protesters sabotaged rail lines, intending to halt the transport.

The fact that the shipment coincided with a Berlin conference on environmental issues. elections in the state where the waste was to be stored and talks on Germany's energy requirements for the next several decades surely contributed to the controversy.

But the vehemence of the protest, according to Mr. Majewski — who is chairman of Bayernwerk AG, Germany's third-largest utility - was mostly a reflection of politicians' weakness and irrational fears regarding high technology, two factors that he contended could doom Germany to economic stagnation.

The unprecedented perversion of rational debate about a new technology into a vote on

the survival of our society has created a climate in which it is impossible to hold an intelligent conversation or make strategic de-

While the immediate victims of the uproar are German companies that do business with high technology, the nuclear-power brouhaha is ultimately about Germans' unwillingness to stake their wealth on anything that carries a bint of risk, Mr. Majewski argues. "We can't allow ourselves to be enslaved by

our fears," he said.

Although nuclear power currently supplies 35 percent of Germany's energy needs, and the country's power plants are considered among the world's safest, the environmentalist Greens Party has demanded an immediate conversion to renewable energy resources. and the opposition Social Democratic Party wants a moratorium on new nuclear-powerplant construction and an orderly shutdown

of existing plants.

Mr. Majewski said that even an orderly retreat would not only cost Germany 240 billion DM but make it impossible for the country's energy-intensive manufacturing industry to remain competitive.

Even under the most optimistic of scenarios, solar, wind and hydroelectric power, along with the incineration of biological waste, could not generate more than 5 to 7 percent of the country's energy needs in the next 15 years, he said.

Despite improvements in the efficiency of solar cells and other solar power technology, their primary markets will not be Germany, but sunnier places in the Third World, he In addition to being one of Germany's

largest nuclear-power generators, Bayern-werk is the country's biggest generator of hydroelectric power and has a 49 percent stake in Siemens Solar GmbH, one of the world's largest manufacturers of solar cells. Markus Kurdziel. a climate specialist with

the Greens, said Germany could meet its energy needs well into the next century without nuclear energy by simply encouraging greater energy efficiency in electricity use. heating and transportation.

"The main problem is the energy price," he said. "As long as electricity, heating oil and gasoline are so cheap, there is no incentive to use less" and to conserve energy.

Mr. Kurdziel, citing a recent study by a committee of Parliament, said Germany could meet as much as 75 percent of its energy needs from regenerative sources by 2050.

German industry, however, is particularly disconcerted that the country is talking about abandoning nuclear power just when Southeast Asia is embracing it.

Of 60 nuclear power plants under construction worldwide, 14 are in Southeast Asia. which is becoming a major export market for German technology, especially major infrastructure projects such as power plants, rail lines and telecommunications.

Despite the appearance of a national backlash against it, nuclear power is one of the

See NUCLEAR, Page 11

Secul Notebook

No Dog's Life for Pet-Food Firms

Thanks to South Korea's growing affluence, the dog-food market is growing at up to 30 percent per year. One result has been that the government no longer has to worry that pet-food advertising will breed resentment among the poor who, not so long ago, strugjust to pack school lunches

Yet Ralston-Purina Co., Master Foods and other Western pet-food powers are keeping their ad spending on a short leash. Why? Because while keeping dogs as pets has become a trend here, so has the consumption of dogs.

As in Vietnam, China and the Philippines, dog is perceived as a delicacy in Korea. Helpings of man's best friend have been particularly popular here during the wilting months of summer, perhaps because dog meat is associated with vitality and virility. The dog feed market remains much larger than the dog-

Yet Western companies, apparently willing to let South Korean suppliers nose their way in, are only nibbling at the new advertising opportunities. They fear a public relations disaster should Western customers think that the company that makes Fido's food also helps make Fido into food.

Companies thus have chosen either to price themselves out of the dog feed market, or to run only image-advertising campaigns.
"It's a strictly segmented market," said

Kim Boo Jong, marketing manager of Purina Korea Inc., which spends about 35 million won (\$46,000) per month on ads and controls more than half the dog-food market, which is worth 10 billion won per year. "Dog meat is dog meat and dog food is dog food. It's two different cultures." different cultures.

But industry sources say it is inevitable that some dog food, as well as feed for other animals, winds up being consumed by dogs which are being bred to be eaten by humans. "They have to feed these dogs something and there are only so many food scraps to go around."

A Boost for Broadcasters

South Korea's broadcasting industry, its growth long stunted by censorship-minded postwar military regimes, is finally joining the

modern age. In March, Seoul authorized the launch of cable TV and, later this year, regional stations are to go on the air. By the middle of next year, another 20 satellite channels should come on stream.

The government gave its blessing to the new broadcasters out of a desire to keep up with the so-called information revolution. Private cable operators, they believe, are key to getting South Korea wired up. The revolution may be good news for South

Korean consumers, but cable TV operators and foreign cable companies are not entirely

Cable TV operators were encouraged to make their investments at a time when few believed that the government would go ahead with satellite broadcasting anytime soon. At the same time, Seoul has granted licenses to many operators. About 120 are expected to be issued by the end of the year - far too many for all to be profitable.

Crackdown on Card Scams

Seoul is clamping down on credit-card con men, now the main source of consumer fi-nance in South Korea.

Heavy-handed government regulations and high interest rates have stunted the growth of a legitimate consumer finance industry. So for most South Koreans, credit-card cash with-

drawal is the only way to get cash in a hurry.

To circumvent tight limits on legal cashadvance withdrawals, however, many turn to the so-called curb market, where back-alley bankers write up bogus purchase receipts and hand over cold cash.

Step one in Seoul's crackdown is deregulation. Revolving credit, now banned, will be permitted later this year. This should relieve pressure on individuals to pay off their bal-ances, which now must be cleared monthly. said K.B. Kim, general manager of Master-Card International's Korea Office.

Step two is tougher scrutiny. All card transactions must now be approved with telephone authorization, a move that should cut out many curb-market operators.

Steven Brull

Germany Targets the **Gulf Market**

DUBAI, United Arab Emirates - Germany launched a drive Sunday to sell high-tech the first "purely" German trade-show exhibit in the region, a senior official said.

Germany, which has deployed 120 companies for the show, sees the United Arab Emirates as "a hub of trade" for the Middle East, said Heinrich Kolb, parliamentary state secretary of its Ministry of Economics.

The United Arab Emirates is also well placed for selling to India and East Africa and is a good place for German companies to invest because of low energy prices, a trained labor force and political and financial stability, Mr. Kolb said.

German exports to Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Oman and Bahrain soared 12.6 percent last year to 8.5 billion DM (\$6.15 billion), according to fig-ures provided by the German

Saudi Arabia was the main market, at 4.1 billion DM, a jump of 15 percent over 1993.

Israel Postpones Vote on EU Pact

TEL AVIV - The government postponed a vote scheduled Sunday on a trade agree-ment with the European Union, a spokeswoman said.

She said the vote could not be held with Foreign Minister Shimon Peres out of the country.

China Targets **Defiers of State Price Controls**

verify that government-imobserved, the official People's Daily said on Sunday.

Concerns that inflation's regard of state price directives led

Rongji called for national vigilance after prices rose 0.7 percent in April, having declined in the first three months of the year, state television said.

Many regions have defied a crackdown on new construction projects ordered by Beijing, Mr. Zhu said. He added that the number of new projects begun in the first four months of 1995 had been estimated at 8,325 and that investment in new construction had increased by 53.5 percent over the corresponding four-month period in 1994.

Many regions have also ignored curbs on price rises, Mr.

Brought Out

Analysts said the nationwide check on price controls, due to For Bourse Analysts said the nationwide start in early June, was clearly intended to halt defiance of government orders to stop price rises, especially on farm prod-"Retail price hikes in differ-

still quite a gap from the desired target for this year," a member of China's cabinet said. Inspectors will carry out the

nationwide check from early June through early July. They will be required to verify implementation by regional governments of various state policies.

Beijing launched a campaign this year to halt price rises after

have set a target of 15 percent inflation for this year, but offi-BEIJING — Inspectors will inflation for this year, but offi-be sent out across China soon to cial reports have revealed that that goal may be slipping out of posed price controls are being observed, the official People's products a major concern for a second straight year.

■ Bond Sale Is Canceled

cent decline might be reversed because of a widespread disremillion overseas bond sale aimed at financing the world's to the step, the newspaper said. largest dam project, preferring Deputy Prime Minister Zhu to tap its own foreign-exchange reserves, a state-controlled

struction of the Three Gorges Dam had been arranged by the Wall Street investment houses Merrill Lynch & Co. and Morgan Stanley & Co. and by Nomura Securities Co. of Japan.

Seoul Tonic

SEOUL - South Korea has announced a long-awaited package of measures aimed at "Retail price hikes in different localities across the country have been falling since the beginning of the year, but there is

The Finance and Economy Board said the state's market stabilization fund would start buying shares Monday. Public sales of state-owned

shares and new issues of financial institutions that had been planned for the third quarter of this year will be put on hold.

Financial institutions will be urged to buy more shares than consumer-price inflation in they sell, and the volume of 1994 of more than 24 percent. bonds will be controlled to avoid China's economic policymakers weighing down share prices.

We can't keep on meeting like this.

In planes. In hotels. In the street. Oh it's exciting every time we feel your hands on us, your eyes on us. And we know it does something special for you as well. Couldn't we see if we can turn this into something more serious? Here's an offer that should make us irresistible-the International Herald Tribune for three months, or even a year, for as little as half the newsstand price! So fax or mail the coupon now.

Country/Currency		12 months +2 months FREE	SAVINGS for 1 year	3 months +2 weeks FREE			
Austria A	L. Sch.	6.000	. 37	1,600			
Belgium	B. Fr.	14,000	. 41"	4,200			
Denmark	D. Kr.	3,400	33	1.050			
France	F.F.	1,950	40	590			
Germany*	D.M.	700	- 32	210			
Great Britain	٤	210	32	65			
 reland	£iri,	230	37	68			
Italy	Lire	470,000	50	145,000			
Luxembourg	L.Fr.	14,000	. 41	4.200			
Netherlands	FI,	770	40	230			
Portugal	Esc.	47,000	44	14,000			
Spain	Ptas.	48,000	41	14,500			
hand deliv. Madnd	Ptas.	55,000	33	14,500			
Sweden (aırmail)	S.Kr.	3,100	34	900			
hand delivery	S.Kr.	3,500	26	1,000			
Switzerland	S.Fr.	610	48	185			
For information concerning hand-delivery in major German Lises call tall free IHT 3-timeny at 0130-84 85 85 or fax (069) 175 413 Under German regulations, a 2- veel free proof is granted for all new orders.							

	New Subscriber Offer Yes, I want to start receiving the International Herald Tribune every day. The subscription term I prefer is (check box): 12 months (+2 months free). 3 months (+2 weeks free). My check is enclosed (payable to the International Herald Tribune). Please charge my: American Express MasterCard Eurocard
	Credit card charges will be made in French Francs at current exchange rates.
	Card No
	Exp dateSignature
	For business orders, please indicate your <u>VAT</u> number:
İ	(IHT VAT number FR 74732021126)
ļ	⊐ Mr C Mrs □ Ms.
1	Family name
į	First name
ı	Meiling Address:
	Crty:CodeCountry
-	TetFax
	Mail or lax to, international Herald Tribune, 181, avenue Charles-de-Gaulle, 92521 Neuthy Cedex, France, For full information: Fax (+33-1) 41 43 92 10
	Herald Eribune

THE WORLD'S DAIL! NEWSPAPER

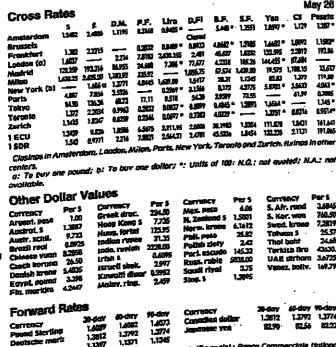
CURRENCY RATES

Capital Goods 126.52 122.96 +2.90

Rew Materials 140.74 138.33 +1.74

Consumer Goods 116.02 111.92 +3.66

132,78 127,89 +3.82



Check Thursday's newspaper for a chance to win a holiday in Spain.



THE WORLD'S DAILY NEWSPAPER

Herald Eribune

Don't miss the upcoming

Sponsored Section on

BUSINESS

EDUCATION

in the Tuesday, May 30

edition of the newspaper.

THE WORLD'S DAILY NEWSPAPER

.

. .

. . .

CAPITAL MARKETS ON MONDAY

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending May 26. Prices supplied by Telekurs.

	HOU MAIL O	A 1111 L	<u>' </u>		
192	Austria	7	05/14/05	99,9000	7.0100
Be	igian Fra	/UC			
152	BelgiUm	61/2	03/31/05	93,8000	6.9300
220	Belgium	7-14	10/15/04	102,8200	7.5400
De	mish Kre	ne			_
2	Denmark		12/15/04	92,6200	7.5600
15	Denmark	8	05/15/03	99,7500	8.0200
19	Denmark	8	03/15/06	98,3500	8.1300
23	Denmark	9	11/15/00	105.4900	8.5300
24	Denmark	8	J1/15/01	100,7800	7.9400
25	Denmark	914	06/10/95	100.3500	7.2200
37	Denmark	7	11/10/24	82.3500	8,5000
37	Denmark	9	11/15/9 5	700,9400	8.9200
42	Denmark	9	11/15/98	104,6000	8.6000
64	Denmark	9	11/15/96	102,8000	8.7500
86	Denmark	614	02/10/97	99.3000	4.2700
98	Denmork	6	12/10/99	94,4400	6.3500
99	Denmark	7	08/15/97	100,0200	7.0000
115	Denmark T-		07/03/95	99,3584	5.9000
181	Denmark T4	bilis zero	10/02/95	97.B337	6.2400

224	Denmark	514	08/10/96	98_5000	5.330
De	outsche M	ark			
-1	Germany	7%	01/03/05	194.1567	7.080
3	Germany	8	01/21/02	107,8000	7.420
4	Germany	772	11/11/04		7,150
5	Germany	6 7/2	05/12/05		6.810
7	Germony	6%	01/04/24	86.8700	7.190
8	Treuhand	7	11/25/99	104,4600	6,700
9	Treuhand	71/2	09/09/04	104.7167	7.160
11	Germany	674	07/15/04	99.7733	6,770
12	Germany	814	07/21/97		7.770
	Germany	6V2	07/15/03	98.6300	6.5 9 0
	Germany	9	10/20/00	112,4800	B.0000
17	Treuhand	67h	07/01/99	101.9600	6,250
20	Germany	7	01/13/00	104,7533	6.680
21		874	08/20/01	111.7400	7,830
26		6%	06/11/03	100,9200	6.810
27	Germany	674	09/15/99	103,3500	6.530
28	Germany	81/2	08/20/96	104.3433	8.150
30		876	05/21/01	109,9417	7.620
37	Germony	71/2	19/20/97	194,9000	7,150
32	Germany	6	09/15/03	95.5025	6.280
33	Germony	714	10/20/97	104.3500	6,950
34	Treuhond	614	03/04/04	94.4625	6.470

3	Germany	8	01/21/02	107,8000	7.42
ă		77/2	11/11/04	104.8967	7,15
3		678	05/12/05	101.0183	6.81
7		634	01/04/24	86.8700	7.19
é		7	11/25/99	104,4600	6,70
			09/09/04	104,7167	7.16
9		7/2			
11		674	07/15/04	99.7733	6.77
12		814	07/21/97	106.1617	7.77
13	Germany	67/2	07/15/03	98.6300	4.59
14	Germany	9	10/20/00	112,4900	B.00
17	Treuhand	676	07/01/99	101.9600	6,25
20		7	01/13/00	104,7533	6.68
21	Germany	874	08/20/01	111.7400	7.83
26	Trevhand	6%	06/11/03	100.9200	6.81
27		674	09/15/99	103.3500	6.53
26 28		81/2	08/20/96	104.3433	8.15
		874	05/21/01	109.9417	7.62
30				107,7417	7.15
37	Germony	71/2	19/20/97	194,9000	/,13
32	Germany	6	09/15/03	95.5025	6.25
33	Germony	74	10/20/97	104,3500	6.95
34	Treuhond	64	03/04/04	96.6625	6.47
38	Germony	81/2	03/20/96	102,9900	8.29
40	Germany	844	12/20/95	102.2400	8.56
41	Treuhand	614	07/29/99	101.6750	6.75
43		574	04/29/99	100,1700	5.74
	Treuhand				8.13
44	Germany	872	09/20/96	104.6125	
45	Germany	B V 4	09/20/01	107.2375	7.59
46	Germony	676	01/20/97	105.3266	7.95
47	Germany	8	03/20/97	105.1017	7.61
48	Germony	8V2	02/20/01	110.3500	7,70
49	Germany	9	01/22/01	112,7300	7.98
50	Treuband	644	05/13/04	99,8350	6.76
51	Treuhand	71/8	01/29/03	102,7043	6.94
52	Germany	676	12/02/98	103.6900	6.63
55		8	07/22/02	108.0300	7.41
	Germany	734			7.28
56	Treuhand	574	10/01/02	106.4114	
58,	Germony		08/20/98	100.6786	5.71
59	Treuband	6	11/12/03	95.4933	6.28
50	Germany	676	05/20/98	102.4733	6.22
61	Germany	8	09/22/97	105.8700	7.56
13	Germany	646	01/20/98	103,1060	643
55	Treuhond	6%	07/09/03	99.3200	6.67
57	Germany	874	05/22/00	111,2220	7.87
58		514	10/20/98	99.1833	5.29
20	Germany				
Ŋ	Treuhand	672	04/23/03	98.9417	6.57
707315	Germany	874	07/20/00	111,2500	7.87
15	Treuhand	6Ve	86/25/98	101.7433	6.02
76	Germony	8V2	04/22/96	103.3000	8.23
n	Germany	676	08/14/98	102,3100	6.230
7770	Germony	674	05/20/97	102,4400	6.22
	Germany	67/s	02/24/99	103.7300	6.63
ñ		6V2		101.5479	6.400
	Exim Bk Japan		05/19/00		
18	Germony	ó	06/20/16	85.8600	6.990
Ŋ.	Germany	6Vs	05/20/99	191.3200	6.051
n	Germany	5%	02/22/99	99.0967	5.420
けっち	Germany	8%	02/20/96	102,7375	8.400
N.	Bundespost	74	10/01/04	105,1700	7.370
16	Treuhand	5	12/17/98	98.0450	5.100
-				103.9000	
77	Germony	7%	10/21/02		6.980
Ю	Germany	87%	12/20/00	112.0800	7.920
ľ	Germany	7	12/22/97	103.9250	6,74
02	Germany	674	04/22/03	199.5513	6,71

enk	Name	Cpa	Motority	Price	Ylei
105	Germany FRN	4.80	09/30/04	98.9200	4.85
109	Spain	7	01/05/00	103.0500	6.7%
113	Treuhand	7%	12/02/02	104.2500	7.07
116	Treuband	6Va	03/26/98	101.B\$00	6.070
120	Germany	61/2	03/15/00	102,7117	4.330
127	Germany	744	02/21/00	107,1000	7.24
724	World Bank	71/2	04/12/05	101_5900	7.010
126	Germony	7%	01/20/00	105.2400	6,890
129	Germony	6	02/20/98	101,5790	5,900
	Treuhood	5	01/14/99	97.9250	5116
136	Germany	₿¼s	01/22/96	102.1500	7.950
138	Beta Finance	zero	09/16/95	98.9624	4,580
140	Treuhand	554	09/24/98	100.1420	5420
146		9	10/20/95	107.6400	8,850
147	Germany	54	02/25/98	99,9500	5.250
	Germany	87's	01/22/96	102.6100	8.650
	Dresdner Fin	642	05/22/00	101.5100	6.400
174	SocGen Acc	612	05/24/00	101.1008	6.430
78	Germony	67/2	02/20/97	102.4700	4140
179	LK8 BodWuert	6/2	89/15/98	93,7000	0.940
183	Germany	74 ₈	11/21/96	103.1800	4.910
184	Germany	534	08/20/97	101,1700	5.680
189		4 %.	02/09/00	99.5300	4.840
193	ING	7%	02/22/00	103.6000	7.120
199	Germony	514	11/20/97	100.3200	5.230
221	Germony	8%	07/20/95	100.5700	8,820
	Treuhand FRN	4.55	10/14/96	99.9900	4.550
230	Germany	61/2	01/02/99	102.3140	6.350
Dι	rtch Guilde	r			
26	Netherlands	734	03/01/05	106,6500	7.270

221	Germony	876	07,720/95	100.3/10	ممحمه
	Treuhand FRN	4.55	10/14/96	99.9900	4,5500
	Germany	61/2	01/02/99	102,3140	6,3500
	Q (11110-17				
_					
D١	rteh Guilde	r			
35	Netherlands	7%	03/01/05	106.6500	7.2700
<u>57</u>	Netherlands	574	01/15/04	94,0000	6.1200
69	Netherlands	9	05/15/00	112.4400	B.0000
85	Nether lands	61.	07/15/98	107.8500	6.1400
90	Netherlands	6}=	04/15/03	99_5500	£5300
92	Netherlands	74z	01/15/23	101.7400	7,3790
108	Netherlands	714	10/01/04	103.4000	7,0100
135	Netherlands	7	02/15/03	102.6000	4.8200
149	Netherlands	71:5	04/15/10	103.5000	7.2500
150	Netherlands	9:2	11/30/00	114.0500	8.1100
155	Netherlands	71.2	06/15/99	105.7 500	7.0800
157	Netherlands	814	96/15/92	109.9500	7.5000
161	Netherlands	834	09/15/01	112.3000	7.7900
172	Netherlands	814	02/15/07	107.8500	7 <i>5</i> 700
196	Netherlands	832	01/35/07	113,7000	7.7000
207	Netherlands	814	02/15/02	109,7500	7.5200
215	Netherlands	774	01/15/00	107.0000	7.2400
216	Netherlands	614	04/15/96	101,5000	6,4000
219	Netherlands	7	QS/15/99	104.1200	6,7200
223	Netherlands	7/2	11/15/ 9 9	106,2000	7.0600
226	Netherlands	9	Q1/15/ Q1	112,7500	7.9800
229	Netherlands	84	99/15/07	109,9500	7_5000
242	Netherlands	81:2	03/15/01	110.7000	7,6800

219 Natherlands	7	05/15/99	104,1200	6,7200
223 Netherlands	7/2	11/15/99	106,2000	7.0600
226 Netherlands	9	Q1/15 /Q1	112,7500	7,9800
229 Netherlands	84	99/15/07	107,9500	7,5000
242 Netherlands	81:2	03/15/01	110.7000	7,6800
			_	
ECU				
16 Fronce OAT	6	04/25/04	69.8750	6.7500
29 UK T-note	512	01/21/97	97,7500	5.3700
66 France BTAN	5	B3/16/99	93,1748	5.3790
74 France OAT	Blick	04/75/22	99 <u>.500</u> 0	8.2900
94 France OAT	91/2	04/25/00	109,2500	B,7B00
117 lialy	64	02/21/99	97,3000	6.8500
127 Britain	91/2	02/21/01	107,0000	8,5300
133 Italy	914	03/07/11	99.7500	9.2700
134 UK T-nofe	8	01/27/98	102.2500	7.6200
169 UK T-note	8	01/23/96	100.8750	7.9300
175 France BTAN	742	03/16/97	101.2500	7,4100
190 France OAT	81/2	03/15/02	104,2500	8,1500
194 France OAT	8	04/25/03	101 <i>.750</i> 0	7.8600
200 France OAT	63-	04/25/02	95,3750	7.0800
210 France BTAN	74	63/16/98	101.3252	7.1600
211 UK T-bills	zero	06/15/95	99,7072	4,7600
246 France OAT	10	02/26/01	110,8750	9.0200
-				
Finnish Mark	ka			

		_			
Fr	ench Franc				
54	France DAT	81/2	11/25/02	107.0600	7.9400
111	Fronce BTAN	8¥z	63/12/97	102,9900	8.2500
132	Fronce OAT	71/2	04/25/05	100.4600	7.470
139	France OAT SP	zero	04/25/23	10.8900	8.3600
141	France OAT	8V=	04/25/03	106.9300	7.9500
151	France STAN	7	11/12/99	100.2000	6,990
186	France OAT	2/2	04/25/04	88.2000	6.2400
197	France BTAN	734	04/12/00	103,1100	7.5200
217	France OAT	644	10/25/04	95,6600	7.060
231	France BTAN	9	02/12/96	101.3400	8.8800

Yleid '	Rak Home	Cpn	Molerity	Price	Yieki
4.8500	Japanese Ye				
6.7900	OSPENSO 1 OF	<u> </u>			
7.0700 6.0700	72 World Bank	416	12/22/97	107.2500	4.2000
0.0100	72 World Bank 112 World Bank	472	1 <i>2/2</i> 0/04	114.3750	4.1500
7.2400	114 Spain	434	03/14/05	112,1250	4.2400
7.D100	119 Italy	31/2	06/20/01	101_5000	3.4500
6.8900	122 Sweden	3.65	08/09/02	100.9409	3,6200
5,9000	125 World Bank	41/2	03/20/03	111,1250	4.0500
51100	137 Warld Bank	41/2	06/20/00	110,7500	4.0400
7.9500	143 E(B	مالة	02/13/01		3,9000
4.5800	144 World Bank	544	03/20/02	115.6250	4.5400
56200	166 Japan Dev. Sk	61/2	09/20/01	121,8790	5.3300
8.8500	173 Segin	5%	03/23/02	116.5000	4,7400
5.2500	209 Sweden	2.90	12/18/96	101,8954	2.8500
8.4500	212 Italy	51/6	07/29/03	110,7500	4.6300
6,4000	213 DSL Bank	4.36	09/28/99	106,4700	4.1000
£,4300	233 Jopan Dev. Bk	5	10/91/99	111,6250	4.4BQ0
400عـ	234 Italy FRN	11/2	07/26/99	99.3600	1.5100
9400 م	249 Eurofima FRN	2,42	06/29/05	99,0000	24400
4.9100					
5.6800 4.8400	Spanish Pese	eta			
7.1200 5.2300	131 Spain	10	02/28/05	92,9040	10.7500
8.8200	142 Spain	101/2	10/30/03		10.9900
-					

Sp	anish Pese	ta			
131	Spain	10	02/28/05	92.9040	10.7600
142	Spain	101/2	10/30/03	95.5000	10.9900
180	Spain	7.40	07/30/99	87.8700	8.4200
Sy	vedish Kron	2			
159	Sweden	<u> </u>	02/09/05	72,4205	8.2800
167	Sweden	11	01/21/99	102,4500	10,7400
243	Sweden	1014	05/05/00	99.6740	10.2800
244	Sweden	1014	05/05/03	98.5100	10.4100
IJ.	S. Dollar				_
	Argentina FRN	7 h	03/29/05	67.2378	10.8800
10	Brozil L	4	04/15/14	50.6250	7.9000
	Argentina par L	5	03/31/23	50.7500	
	Brozii FRN	7 ₩	01/20/01	80.4548	
36		74	04/15/06		11,4800
53	Venezuela FRN	7 %	12/18/07	90,0000	15.3800

Ū.	S. Dollar				
6	Argentina FRN	7 tu	03/29/05	67.237B	10.880
10	Broxii L	4	04/15/14	50.6250	7,900
18	Argentina par L	5	03/31/23	50.7500	9.850
22	Brozii FRN	7 %	01/20/01	80.4548	9,710
36	Brozii EI L FRN	74	04/15/06	63,1697	11,480
53	Venezuela FRN	7 %	12/18/07	50,0000	15,380
62	Broodi ZL FRN	74	04/15/24	59.5046	12.180
71	Brozii par YL4	414	04/15/24	45,3750	9.370
78	Mexico A mgin	61/4	12/31/19	<i>57,75</i> 00	10,820
83	Venezvelo A	674	03/31/20	50,7125	13.370
82	ICO FRN	6.67	12/03/97	100.2500	033.6
83	Argentino FRN	71/6	03/31/23	63.1250	11.290
84	Mexico B main	614	12/31/19	57,7500	10.820
104	Sondoz	676	05/24/99	101 <i>.75</i> 00	6.760
	Centrust S&L	zero	02/15/10	15.6250	13.420
107		7 %	04/15/12	56.6206	12910
	Poland	314	10/27/14	53.2827	6.700
	Mexico D FRN	74	12/28/19	69,1250	10.490
	Britain	74	12/09/02	103,8750	6.780
128	Polond FRN	7%	10/27/24	72,5000	9-830
	Venezueko B	674	03/31/20	50.5000	13.370
	Mexico A FRN	7. 2 1	12/31/19	69.1250	10.440
153	Canada	61/2	07/07/97	100,3750	6.480
154	Mexico B FRN	7 %	12/31/19	69,1250	10.400
158	Wal-Mart Stores		05/24/02	99.8750	6.760
162	Bulgaria	2	07/28/12	24,3997	8.200
163	Nigeria muin	614	17/15/20	43.0000	14.530
	Finland	674	11/24/97	101.1250	6.670
165	ADB	zero	07/20/95	99.0175	6.300
768	Paland par bond	2%	10/27/24	38,7991	7,090

	914	\$37U//	77./200	72/00		ADB	zero	U//20/73	77.01/2	الاللائية
	8	01/27/98	102,2500	7.6200	365			10/27/24	38.7991	7,0900
	1	01/23/96	100.8750	7.9300	170		414	04/15/24	45.3750	9.3700
ı	74	03/16/97	101.2500	7,4100	171		7%	01/19/23	105,3750	7.2400
	81/2	03/15/02	104,2500	8,1500	176	Rockefeller CP	zero	12/31/00	51,0000	12,7600
	8	04/25/03	101,7500	7.8600	177	Britain FRN	6	09/24/96	99,9200	6.0000
	62	04/25/02	95,3750	7.0800	182	Bulgaria A FRN	7 %	07/28/24	50,1250	15.0900
i	74	03/16/98	101.3252	7.1600	185	Italy	67%	09/27/23	88.3750	7,7800
	zero	06/15/95	99,7072	4,7600	187	Bulgaria FRN	7 %	07/28/11	42,3210	17,8700
	10	02/26/01	110,8750	9,0200	188	Midland FRN	4 4	12/31/99	79,8300	8,3700
					191	Sweden	91/2	03/04/03	98.2500	6.6200
					195	CCCI FRN	64	04/25/00	99.6000	6,2800
•					198	AT&T	84	07/11/00	106.3750	7.7600
	ka				702	Italy FRN	6%	07/26/99	99,4B00	6.2800
					203	Ontaria FRN	6'4a	08/17/99	99,4700	6.1600
	942	03/15/04	105,2423	9.0300	204	Echago, bar	3	02/28/25	32,1089	9.3400
					205	Spain	61/2	09/29/99	100,0000	6.5000
					206	World Bonk	7%	09/27/99	103,1250	6.9100
C	;				208	Cargill	zero	11/10/95	97.2045	6.2000
					214		51/2	11/05/03	91.2500	6,0300
	8V .	11/25/02	107,0600	7.9400	218		zero	08/22/95	98,4767	6.2800
	81/2	03/12/97	102,9900	8.2500	222	Ecuador FRN	74	02/28/25	52,9402	
	71/2	04/25/05	100.4600	7,4700	225	British Gas	zero	11/04/21	13.8750	7.7500
P	zero	04/25/23	10.8900	8.2600	202	Brazil L FRN	7 %	04/15/09		12,7200
	8V=	04/25/03	106.9300	7.9500	235	Asian Dev. Bk	61/6	03/09/04	96.6250	6.3400
	7	11/12/99	100.2000	6,9900		Argentina	876	12/20/03		10.4700
	2/5	04/25/04	88.2000	6.2400	237	BodWuert L Fin	84a	01/27/00	106.2500	7.4500
	734	04/12/00	103,1100	7.5200	238	Cent Hisp FRN	6 %	04/28/05	98.3100	6.8000
	644	10/25/04	95,6600	7.0600	239	Mexico C FRN	4.96	12/31/19	69.1250	10,0800
	9	02/12/96	101.3400	8.8800	240	Rockefeller CP	13	12/31/00		13,0000
					241	Argentina	10.95	11/01/99	98.6250	
					245	Jap High Pub	7%	04/28/05	104,7500	7.1600
		•			247	Argenting FRN	. 12	04/01/03	83,2000	7,1000
					248	Mer Lynch FRN	6.32	02/22/00	101,4299	6.2400
	- B14-	10.403.400	CD 4505	10.0000		Ferrovie Stato	91/E	07/06/09	113,3750	8.0500
	91/2	12/01/99	92,4500		-20	Let I have Sigile	TVE	41.40144	1132/30	9,4300

Dollar Stands Again at the Precipice mon Brothers concurred, saying that "signs of economic slow-

By Carl Gewirtz International Herald Tribune

PARIS - With even the optimists throwing in the towel on the outlook for the dollar, analysts are now counting on a cut in German interest rates to keep the U.S. currency from crashing to new lows.

The setback last week that saw the dollar plunge through key chart points against the Deutsche mark and the yen like a hot knife through butter has set the stage for "a renewed assault on the record lows," said Paul Chertkow of Union Bank of Switzerland.

It's "back to the precipice," he added, although he believes a combination of U.S. rate increases and German cuts will see the dollar at 1.55 DM and 96 yen within a year. But the view prevailing in the market is much less sanguine.

The dollar ended the week at 1.3771 DM after a midweek stab at breaching 1.45 DM, a level widely regarded as the top of its current trading range. Likewise, after failing to rise above the perceived cap of 88 yen, the dollar fell back to 82.83 yen by the end of the week.

Although the bulk of the set- likely strength."

NEW YORK - Data usually carry the day.

economic data this week could herald a resump-

tion of the recently stalled Treasury market rally,

many are saying a pause is in order to assess

whether the market has got a little ahead of itself.

The price of the benchmark 30-year Treasury

bond surged more than two points Tuesday and Wednesday and continued its ascent Thursday

U.S. CREDIT MARKETS

before running into a wave of selling from long-

term investors. While it managed to finish with a modest gain Thursday, the Friday market was

"The market needs to rest," said Jay Gol-

But given the rapidity with which yields have

dinger, market strategist at Capital Insight. "My

gut feeling is that we will rest next week and pull

dominated by profit-taking.

another big move to the upside.

While the beginning of the stream of May

tal markets were closed Thurs- and bond markets have fac-day, the continued decline tored in a reduction in official Friday punctured any hope that U.S. interest rates and now the retreat had been a fluke need to adjust because few peo-

of an important report on May U.S. bond market, analysts U.S. employment containing doubt that fading talk of a rate

on the horizon.

caused by thin trading.

Activity this week will be curtailed, as New York and Lon-tion that the United States is don are closed for holidays on not headed for a recession Monday, and then traders will should put a halt to the probe awaiting the release Friday

The money and bond markets have factored in a reduction in official U.S. interest rates and now need to adjust because few people any longer see such a cut

annual benchmark revisions. This should clarify the depth of the economic slowdown that is

under way in the United States. Even a neutral report is un-likely to be helpful, warned Malcolm Roberts of Union Bank of Switzerland, who expects U.S. bond prices to fall: "Just as the recent data confirm the slowdown in the U.S. economy but exaggerate the degree of weakening, the recent rally in U.S. bonds points to a cyclical bull market but exaggerates its

set Management.

around." he said.

A Pause Before the Flood of Data

cut by the Fed will be sufficient

longed and powerful rally in the

to boost the dollar. Rather, the renewed strength of the mark against the dollar and, more important, against currencies of inflation-prone Spain, Italy, Sweden and France, may well drive Germa-

ny to cut its interest rates. "Diverging inflation trends are likely to be reflected in a persistently strong mark, and we expect the Bundesbank to respond through lower rates," said Joanne Perez at Banque

In other words, the money Kermit Schoenholtz at Salo-

on Tuesday, revisions to first-quarter gross do-

mestic product and new home sales for April on

Wednesday, the National Association of Pur-

manently add reserves to the financial system.

Another wild card for the short end if the

But others warn that interestple any longer see such a cut on the horizon. While the realizarate levels have virtually nothin the foreign exchange market.

tary ease" in Germany.

ing to do with what is going on Andres Drobny at CS First Boston said the dollar actually gained interest-rate support last week, with the futures market assuming a cut in German rates. December contracts for threemonth money left U.S. rates

134 basis points above German

down favor additional mone-

levels, compared with the previons spread of 125 basis points. That the dollar fell despite this, said Mr. Drobny, shows that interest-rate expectations are not driving the market.

Neil MacKinnon at Citibank sees a much more fundamental force at work. "The market," he said, "is saying it fears that the United States, which is now the world's largest debtor country, cannot effectively discharge its external liabilities at the prevailing level of the exchange rate.

"Clearly, America's net debt-or status undermines the dellar's role as the principal reserve currency. About 60 percent of world reserves are currently held in dollars, which I believe is way too high. What we're seeing is a structural shift in portfolio prefcrences away from the dollar as a reserve currency towards the hard currencies, the Deutsche

mark and the yen. He added, "There is some hope in congressional moves to balance the budget, but I expect the upcoming presidential cam-paign will stymic progress on structural fiscal improvement. until after the 1996 election.

chasing Management survey on Thursday and the May employment report Friday.

The market has already factored in the view By then, he predicted, the dollar will be trading at 1.15 DM , that the second quarter was weak, said William and 70 yeal Stevens, portfolio manager at Montgomery As-

While Mr. MacKinnon is the most hawkish on the dollar's ' "Probably the next few numbers are not going outlook, he has much support . to be new news, so the market is going to just flop for the direction of the currency. Economists remain divided about whether the Hermann Remsperger at BHF Bank in Frankfurt said "the dolnext policy move by the Federal Reserve will ease or righten credit. The Fed left rates unlar could test its lows," while Julian Jessop at HSBC Markets changed last week and now is widely expected to keep them on hold at least through September. in London said "it's only a question of time until we see new The bill sector could get a boost this week if, as expected, the Federal Reserve buys bills to perlows at 1.30 DM and 75 yea."

The major beneficiary of this The Fed is expected to buy \$4 billion to \$5 billion trend is expected to be the mark in bills Wednesday for settlement Thursday to bond market, said Jan Loeys at fallen, and the high quality of the economic data cope with a seasonal rise in currency in due out this week, analysts would not rule out circulation. J.P. Morgan in London. Yields on 10-year government bonds, currently 6.73 percent, "are The week contains such data fixtures as the market is the dollar. The bill sector has been the headed to 6.5 percent and possibly 6.25 percent."

MAILED FROM AMERICA

USA TO-or for-YOU! We buy & ship almost anything direct to you—or to loved ones in USA. Free brochure. A TOUCH OF HOME 7522 FM 1960 West, Ste 343 7522 FM 1950 West, 3tg 3 Houston, TX 77070 m. Tel:713-320-9100 m. FAX: 713-320-0014

DISCOUNT UP TO 30% On almost any US Book in Print world-wide mail order service **NEW WORLD BOOKS** 2 Cains Road - PO Box 878 Suffern, NY 10901 914-354-2600 - FAX 914-354-1936 E-mail address newidbooks @ aol.com





COMPLIMENTARY REPORTS

Dynamic Techniques of a Professional Currency Trader These comprehensive reports are mandatory reading for all ins trading, or contemplating trading today's currency markets. Futures to Forex, subjective fundamental to objective technical, self directed red. Mr. Catrants and his staff have reviewed it all.

EXECUTION FROM \$12 PER R/T TRADE To receive your free reports and our service guide call toll-free. Switzerland 155-7233 0800-96-6632 0590-2246 0130-82-9666 France 0800-1-5880 Denmark 8001-6132 Netherlands 06-022-0657 00-800-11-921-3013 American toll line +714-499-8136 (fax) +714-499-8131 (volce)

American toll-free 800-859-7028 (fax) 800-994-5757 (voice) PETER CATRANIS SENIOR CURRENCY TRADER Mr. Catronis is an 18 year veteran currency trader. He has authored numeros publications and software programs for beginners and experts alike. He has researched kundreds of currency programs and transacted billions of dollar in real-time trade. Currendy he is accepting a limited number of new account Account minimums \$10,000 to \$5,000,000 USD, depending the on program.
FOREX CAPITAL MANAGEMENT Excellence in confidential trading services.
Chicago Mercantile Exchange Conter 30 S. Wocker Dr. #1912, Chicago II., 69606, U.S.A.

HYETRON INTERNATIONAL LIMITED The <u>real</u> real-time financial system thats going to put you ahead of the rest. Costs less to install and has lower fees

as well, interested? Call 0171 972 9772 or Fax 0171 972 9770 for a demonstration of our winning system.

151-153 CURTAIN ROAD LONDON EC2A 5QI



SURGE TRADING S.A. FOREX & FUTURES BROKERS

trading THE SWISS DIFFERENCE

21-23 Rue du Clos, CH-1211 GENEVA 6 Tel.: (41) 22-7002051 (GEN.) Fax: (41) 22-7002061 SEE CNIN-TEXT PAGE 695

> For further details on bow to place your listing contact: WILL NICHOLSON in London TeL: (44) 71 836 48 02 Fax: (44) 71 240 2254 Acrald Eribune

BusinessWeek

This week's topics:

- O China's New Elite
- O The Best Product Designs Of The Year
- O Growth In Europe Hits A Slowdown
- What You Need To Ride On Ron Brown's Trade Express
- O The Japanese Have A New Thirst For Imports

Now available at your newsstand!

BusinessWeek International

Liebigstraße 19, D-60323 Frankfurt, Fax 49-69-71407-146 For subscriptions call UK 44-628-23431 Hong Kong 852-523-2939

INTERNATIONAL CLASSIFIED MARKETPLACE

- Monday International Recruitment
- Tuesday
- **Education Directory** Wednesday

- International Conferences and Seminars Friday
- Real Estate Marketplace, Holidays and Travel Saturday
- Arts and Antiques

Plus over 300 headings in International Classified Monday through Saturday For further information, contact Fred Ronan in Paris: Tel: (33-1) 41 43 93 91 - Fex: (33-1) 41 43 93 70.

Herald Eribune THE WORLD'S DAILY NEWSPAPER

LIVING IN THE U.S.?

Now printed in New York for same day delivery in key cities.

> To subscribe, call 1-800-882 2884 (in New York, call 212-752-3890)

Herald Eribunc THE WORLD'S DAILY NEWSPAPER

	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,									
Compiled by Laurence Desvilettes										
Issuer	Amount (millions)	Mat	Coup.	Price	Price end week					

New International Bond Issues

Conference Board's consumer confidence survey biggest beneficiary of central bank action.

Floating Rate Not	8 5					
BankAmerica	\$200	2002	1/4	100		Over 3-month Libor, Callable at par from 2009, Fees 0.175% (PaineWebber.)
Bank of Tokyo (Curacao)	\$208	2005	1	100,325	_	Over 6-month libor, Caliable at par from payment date. Fees 0.325%. Denominations 1 million yen. (Bank of Takyo Capitol Markets.)
ESRA Series 7	\$130	2002	0,45	100		Over 6-month Libor. Noncallable, Fees not disclosed. Denominations \$18,000. (Merrill Lynch Int'l.)
Kymmene Finance	\$100	2000	₹6	99.78		Over 3-month Libor, Callable at par in 1998. Fees not disclosed. Denominations \$100,000. (Chemical Investment Bank.)
Navistar Financial Dealer Master Trust	\$200	2004	0.30	99.29	-	Over 1-month Libor. Noncollable. Fees 0.50%.
Repackaged Sovereign Investments	\$100	2002	V ₂	100	~	Over 3-month Libor. Noncollable. Fees 0.15%. (Letimon Brothers.)
Birmingham Midshires Building Society	2200	2000	1/16	99.st	_	Over 3-month Libor. Noncallable. Fees 0.15%. (Barclays de Zoete Wedd.)

Over 6-month Libor. Nancallable. Fees 0.225%. Denominations 100 million yen. (J.P. Morgan Securities.) **EXE Finance** Y10,000 1999 14 Sumitoma Bank Int'l Finance 22,000 perpt 0.30 Fixed-Coupons Banco Bamerindus do Brasil Semiannually. Noncallable. Fees 0.85%, increased from \$100 million. (Swiss Bank Corp.) Bellsouth Capital Funding 101.793 101.30 Reoffered at 100.243. Nancallable. Fees 176%, (Morgan Stanley Latt.) Reoffered at 99.705. Nancallable. Fees 11/1%, (Swiss Bank Corp.) Unibanco - Semiannually, Noncallable, Fees 1%, (Swiss Bank Corp.) \$100 1997 1014 9934 Depta Finance 101.545 Reaffered at 99.37. Noncallable. Fees 21/2%. (Deutsche Bank.) Sainsbury (J.) Reoffered at 99.633. Nancallable. Fees 176%. (Swiss Bank Corp.) £150 2000 81/4 101,208 Swiss Bank Corp. Jersey Reaffered at 99.30. Nancatlable. Fees 2%, (Swiss Bank Corp.) Caisse Francaise de Développemen - Reoffered at 99%. Noncaliable. Fees 2%. (Credit Agricule.) FF 1,500 2007 74% 101.40

Noncollable. Fungible with outstanding issue, raising total amount to 500 billion line. Fees 136%. (IMI Bank.) IMI Bank Int'i DF 250 2000 61/s 101.265 99.90 Recifiered at 99.66. Noncallable, Fees 176%. (Rabobank Nederland.) Nederlandse Waterschapsbank DF 250 2004 676 101.515 100.10 Reoffered at 99.84. Noncallable. Fees 2%. (ABN-AMRO Bank.) Noncollable, Fees 0.875%. Denominations 10 million year. (Nomura InFL) ¥80,000 1997 6 Noncallable. Fees not disclosed. Denominations 1 million yen. (Dalwa Europe.) Italy 1998 2.30

Noncollable. Fees not disclosed. Denominations 7 million yea. (Daiwa Europe.) Italy Italy Y 125,000 2015 4V2 100 **Equity-Linked** Redeemable at 128.43 at maturity. Convertible into Ayalo B shares at 28.46 pesos per share, a 7.70% premium, and at 25.905 pesos per dollar. Fees not disclosed. (Jardine Flemins AC Int'l Finance \$100 2000 3 Coupon indicated at 6% to 7%%. Noncollable. Convertible at an expected 18 to 22% premium. Terms to be set June 2. Fees 2½%. (Margan Stanley.) \$125 2000 open 100

Last Week's Markets

Stock Indexes

United States May 26 May 19 Chiga 4389.00 4347.33 + 0.64 % 201.03 195.49 + 2.03 % Unified States DJ UNI. Discount rate 1,421,31 1,424,44 — 0.33 % 494,71 493,23 + 0.69 % 523,45 519,19 + 0.84 % DJ Trans. S & P 100 Prime rate Federal funds rate S & P 500 S & P Ind 622.90 618.00 + 0.73 % 281.96 279.49 + 0.75 % Discount NYSE CP Call money Britain FTSE 100 l-month interbont 3311.10 3261.00 +1.54 % Germany Nikkei 225 Call moner 455 German DAX Britain Bank base rate Hong Kons Coll money 9.229,18 9.013.32 +3.50 % 611/16 May 26 May 19

London

Euromarts **Eurobond Yields** Money Rates

Weekly Sales 7.30 7.28 8.39 7.29 6.88 6.34 8.19 6.88 6.35 6.59 7.50 6.35 8.50 8.95 9.40 8.50 7.58 7.61 8.18 7.58 11.41 11.31 12.20 11.67 U.S. S. fong term eret mber 2.2.U eret trock 2.2.U Nons 5 Nons 28.40 658.00 1,025.40 54 Pounds sterling French frencs 10.29 — 63.06 71.00 147.90 198.80 887.00 66.80 6277.00 4.214.70 9.355.60 1.883.80 4.443.10 4.343.90 70,766.40 6.983.00 7.77 7.23 8.57 7.77 10.25 10.57 10.55 10.57 10.77 10.22 8.66 8.11 8.82 8.08 7.55 8.42 8.09 9.54 8.42 9.14 9.23 10.46 9.14 8.06 7.24 8.07 10.46 9.14 8.06 7.24 8.07 10.46 9.14 8.06 7.24 8.07 10.46 9.14 8.06 7.24 8.07 10.46 9.14 8.06 7.24 8.07 10.46 9.14 8.06 7.24 8.07 10.46 9.14 8.06 7.24 8.07 10.46 9.14 8.06 9.27 4.31 10.46 9.14 8.06 9.27 4.31 10.46 9.14 8.06 9.27 4.31 10.46 9.14 8.06 9.27 4.31 10.46 9.14 8.06 9.27 4.31 10.46 9.14 8.06 9.14 8. Gry Morket -14 1 % ECU, long term ECU, make term | Note | 6.00 4.50 4.60 6% 6% 6 % Libor Rates 385.90 383.00 + 8.65 %

French franc 7 13/16
ECU 61/4
Yen 1 5/14 3 meets 7 9/16 614 1 5/16

BRH

Japan Inc.'s Supplier Firms Get Pummeled as Yen Soars

By Andrew Pollack New York Times Service

TOKYO - For all the focus on how the rising yen is hurting powerful exporters such as Honda and Hitachi, the impact is far worse on Japan's small, anonymous manufacturers supplying the parts to the brandname giants.

The small factories either cut prices of their parts to help the big companies maintain their profits or they lose business when the bigger companies relocate factories offshore.

been instrumental in making Japroducer of high-quality goods. and the rise of the year As their numbers keep dropping, there is growing fear that Japan is losing some of its fundamental manufacturing know-how and possibly its ability to come out

with new products. National and local officials, as well as the companies them-

Continued from Page 9

industries in which German

companies such as Siemens AG

Together with Framatome

Connectors France SA, Sie-

mens and several other French

and German companies recent-

ly agreed to begin basic design

of a new generation of power

plant, called the European pres-

If the next round of so-called

energy consensus talks on Ger-

many's future mix of coal, nu-

clear, gas and other sources of

power on June 21 fails to sup-

atomic energy and to leave con-

struction of new power plants

an option for the future, the

result would be an exodus of

German technology and talent.

regret, Mr. Majewski said.

surized water reactor.

have maintained a technologi-

NUCLEAR: Protests in Germany

port continued research in need nuclear power," he said.

that the country would live to its consumption of fossil fuels,

ternational Trade and Industry part, often quickly and in lots as small as one. vice to small factories.

The ebbing of the manufacturing culture is being played out Japan was losing its "full-set" in Ota, an area in southern Tokyo that is home to more than made virtually all components 7,000 small factories, mostly in the metalworking business, and 80 percent of have with fewer than 10 employees. These are not direct suppliers to the big companies but to the second- or third-tier ones.

In the last decade, more than 2,000 factories have vanished Yet these small factories have or at least out of Tokyo, by spifrom Ota, driven out of business, raling land prices, recession, difpan Inc. what it is - an efficient ficulties in recruiting workers

percent a few years ago. In one sense, Ota is to metalworking in Japan what Silicon Valley is to electronics in the United States. Just as Silicon Valley in California has the engineers, programmers and financiers who join to create electronic products. Ota has a selves, are devising counter- network of specialized workers measures. The Ministry of In- to supply almost any metal

away, and Germany will be

Hans-Olaf Henkel, chairman

of the Federation of German

the side of nuclear power. "If

we need new nuclear power

plants after the year 2005 - we

have enough to last us until

other industrial nations that we

Germany's economics minister,

said a greater reliance on nucle-

ar power would help Germany

meet its commitment to reduce

which are thought to contribute

Meanwhile, Günter Rexrodt,

- we should build them,

South America Dreams of a Mega-Canal

By James Brooke New York Times Service

ASUNCION, Paraguay — But Mitsuhiro Seki, a profes- Entranced by visions of barges sor at Senshu University, said piled high with sugar, soy and wheat, Latin American busiindustrial structure, in which it nesses are pressing for construction of a 2,000-mile (3,200by itself, and would be more kilometer) waterway that they fully integrated with the econosay would be South America's mies of other Asian nations. uid spinal cord. U.S. parts suppliers could

also benefit as the big Japanese The project, called the Hidrocompanies move more of their via, or waterway, would speed manufacturing — of cars, machine tools and electronics — to shipping by straightening and deepening the Paraguay and Parana rivers. It would open an the United States. outlet to the sea for Paraguay Ricoh Co., the office equipment maker, is now importing 10 percent of its parts from Chiand Bolivia and would help the

continent's new southern common market to integrate trade.

price Index. Forecast: Up 0.3 percent in month and up 1.7 percent in year. Brussels EU foreign ministers discuss anlarging the Urson to include East Euro-

pean countries.
Paris May MSEE industrial survey.
Rome April hourly wages. Forecast, Up
2.7 percent in month, after a 2.7 percent

rise in March.

• May 30 Medrid March industrial production. Forecast Up 7 percent in

Company Ltd., Fortis Amer NV June 1 Frankfurt Bundesbank cen-

Parts April Letter April Letter Parts April Let

Paris April job-seekers, Forecast: Down

n U.K. April cons

involved if environmental ap-

proval is received.

But environmentalists fear that the river-dredging and channeling project would pull The waterway, which could the plug on the world's largest

in the U.S.

tina and Uruguay.

2,000 tons." he said.

The Inter-American Devel-

opment Bank is directing the

project and would finance a

major portion with matching

funds from the five countries

May 30 New York Johnson Red-book research service releases weekly survey of same-store sales at more than

the issues weekly report on U.S. petro-

finery unitation Mexico City Central Early announces results of weekly auction of government

Ottawa March employment, earnings

* May 31 Washington April new

nion Second estimate of GDP

ent, discount and chain stores

bird species. Downriver, it President Juan Carlos Was-

would cause flooding, they say. mosy of Paraguay, whose office "The five-country region can here overlooks the slow-moving little afford the destruction seen Paraguay River, said the waterin the Mississippi and Everway would help the country glades," the Environmental Deovercome its sense of being fense Fund, a Washingtonlandlocked. "Instead of barges based group, warned recently carrying 500 tons, we would about the Hidrovia. able to have barges carrying

"If you cut through the river meanders and blow up the rocks, the river is going to run faster, and it's going to flood faster," warned Raul Gauto, executive director of a leading environmental group here, the Moises Bertoni Foundation, named for a Swiss naturalist who worked in Paraguay.

Scientists say the Pantanal wetlands act like a vast sponge, regulating the flow of rainwater

cost \$1 billion, would also run through parts of Brazil, Argenzil, an area that is home to 600 takes about six months for wazil, an area that is home to 600 takes about six months for wathe Atlantic Ocean. Hydrologists argue that faster flows

flash flooding. With fresh memories of bil-

"For a long time, we have been dredging the river, and ter to flow from the Pantanal to nothing has happened," Eugenio Sanabria Cantero, director of the agency, said. He said the could expose downriver areas to project would benefit 17 million people living in the region.

But some scientists challenge lions of dollars in damage his contentions. After the Pancaused by the Mississippi River tanal suffered its worst drought floods of 1993, the Develop- in 20 years last year, they quesment Bank signed contracts in tioned whether faster river February for \$10 million of en- flows from the dredging were gineering and environmental- already drying out the vast mpact studies for the project. marsh, which is considered the Work could start late next year world's most biologically diif an agreement can be reached. verse wetland.

Tuesday

From Paris to Milan, from New York to Tokyo, fashion editor Suzy Menkes covers the fashion front. With additional reporting on lifestyle issues, the Style section provides up-to-date information on developments in the changing world of creative design.

Every Tuesday in the International Herald Tribune.



The Week Ahead: World Economic Calendar, May 29-June 3, 1995 Bera May consumer once index Bera April retail sales. Beta First-quarter GDP, Forecast: Up

tional Herald Tribuna by Bloomberg B. ness News. 22 percent.
22 percent.
32 percent.
33 Brussela May consumer
34 miles Index. Forecast: Up 0.3 percent in

na and elsewhere, up from 2

Many 29 Sydney April balanca of ants.

ay April building approvals.

ay Reserve Bank officials John

and Bob Rankin talk to the Securistitute of Australia about changes to the clearing and actionnents system.

Tokyo April large-scale retail sales.

Sydney Government to sell 1 billion
Australian dollars of March 1998 Tressury

forced to import electricity,"he adjustable rate bonds. Industry, has also come out on

yo April industrial production Tokyo April industrial production.

Earnings expected Wilson & Horton.

Misy 31 Singapore Urban Redevelopment Authority to sell two land sites for mixed residential and commercial development at a public auction.

Sydney Frat-quarter GDP.

he said in a recently published April new motor vehicle reg "There are also responsible June 1 Wellington Finance Minister Bill Birch makes budget statement for people in the Social Democratic Party that agree with me and the overwheiming majority of

nicture May preliminary cost of living Forecast: Up 0.2 percent in month and up rcent in year. art March capital account.

Frankfurt May Import prices. Forecast Up 0.1 percent in month and up 1 percent

cast Up 0.7 percent.
Paris. Merch menufacturing p

May 29 Ottowa

prowth for the first quarter.
Arlington, Virginia American Gas Asso-action releases its weekly U.S. natural gas inventory report.
Ottawa March real GDP
Ottawa Government sel wo-year bonds in a quarterly auction

June 1 New York Marrior Interna

Stores, Royal Bank of Canada.

• June 2 Washington Ma



weekly survey of the number of active of and gas drilling rigs in the United States and Canada.

THE WORLD'S DAILY NEWSPAPER

"Our researchers will move, to global warming.

BOOKS

THE MAN WHO GREW TWO BREASTS: And Other True Tales of Medical Detection

By Berton Roueche. 197 pages. \$22.95 Dutton.

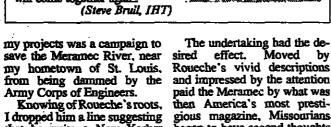
Reviewed by

BERTON Roueche, who died last year at 83, was that rarity among writers, a dedicated miniaturist. Like a composer who produces only chamber music or a painter who sticks to watercolors, he practiced his artistry on a small scale, eschewing the blockbuster syndrome in favor of reportorial essays that he gathered in bookfuls. He also wrote a quartet of mystery novels, the longest of which runs to all of 224 pages. He started out as a rewrite man on newspapers in his native Missouri and hired on as a New Yorker staff writer in 1944. His topics included vanishing American places and ways of life and such everyday items and experiences as bananas and wine and train travel and small towns. But he was best known for a hybrid genre of his own invention: real medical cases couched as mysteries, with the doctor playing detective.

I won't pretend to be utterly detached in my admiration for Roueche. I'm also a native Missourian, and I met him 20 years o, when he fell in with a heme of mine. I was a lawyer then, at the Interior Department in Washington, where one of

• Lee Kyu Uck, president of the Korea Institute for Industrial Economics and Trade, is reading "Joho Network Shakai no Tenkai (The Information Network Society) by Ken-ichi Imai.

"When economics was born the real sector and the financial somewhere in history they became separate issues. Now they will come together again."



WHAT THEY RE READING

that he write a New Yorker piece on the Meramec. He replied that he would be "delighted" to - it was almost as simple as that. We rendezvoused in St. Louis in the spring of 1975 and drove to the country. He was soft-spoken but boyishly enthusiastic, and I recall him eagerly tucking into the biscuits and red-eye gravy we were served for breakfast at a rural diner. Thus fortified, we canoed the river with local conservationists. Fifteen minutes into the journey, Roueche and his guide tipped their canoe over, he made a graceful recovery by recounting the incident as a joke on himself in the article he wrote, "Countryside:

BRIDGE

By Alan Truscott

E VERY Mother's Day weekend, Manhattan becomes the center of the bridge world. The 21st Cavendish Invitational pairs was played at Loew's New York Hotel Kibitzers were charged a \$10 fee.
Proceeds go to the Chemothera py Foundation of Manhattan, hich aids cancer research.

The 40 pairs included many of the world's best players, with five pairs from Europe. The warmup is the Cavendish Teams. Last year, the team winners were led by Rita Shugart of Pebble Beach, California, now playing with Andrew Robson of Britain, at 30, the youngest of the players. Their team reached the Vanderbilt Knockout Teams semifical in Phoenix and the diagramed deal contributed

to their defeat. Three hearts was raised to game, and a diamond was led to dummy's king. This contract seemed safe, but Robson was unlucky: he took an immediate trump finesse, and when West won with the singleton king he shifted to the spade ace and gave his partner a ruff. The club ace was the setting trick.

Since the only danger was a ruff, it would have been better to spurn the heart finesse. Playing the ace and another could lose, if East held the heart king with two or three small cards, but it could gain when West held the king doubleton or singleton king. That is more likely by about 2 percent, so Robson's play was wrong, but only just

♠ K 10 4 3 EAST ₹972

side was vulnerable. The North 4 ♥ Pass

ical mysteries under the title Crawford County. Missouri (which can be found in his book "Sea to Shining Sea").

paid the Meramec by what was then America's most prestigious magazine, Missourians began to have second thoughts about tampering with it. A few years later the issue was submitted to referendum, and the proposed dam went down to

Roueche and I kept in touch sporadically after that, and I always checked the New Yorker index for his byline. In the mid-'80s, his four previous volumes of medical pièces were consolidated into two omnibuses, The Medical Detectives" and The Medical Detectives, Vol. Now the same editor, Truman Talley, has published most of Roueche's subsequent med-

> "The Man Who Grew Two These eight essays exhibit Roueche's customary low-key

The cases are engrossing in themselves. The eponymous
"Man Who Grew Two lives up to its sensational title, and one called 'The Dinosaur Collection' about a mother with a chronically ill child whose symptoms mysteriously disappear when-ever she brings him in for a checkup - is one of Roueche's best ever. Just one caveat: Like any genre pieces, these can go stale if you don't ration them. Take one or two a day, no

Thinking that I remembered some additional pieces that don't appear in "The Man Who Grew Two Breasts" or any other book, I went rooting through my stash of old New Yorkers Sure enough, I found three, all from 1988: one on thyroid disease, one on Lyme disease and one on people who get poisoned by the buildings in which they live or work. There are also some late, nonmedical articles that deserve to be between hard covers: one on European come teries and another on Paris Jardin des Plantes. Almost enough material, that is, for another "new" collection or an expanded version of one or more earlier books. I'll be hoping.

Dennis Drabelle, a Washing ton writer and editor, wrote this for The Washington Post.

Germany's Mortgage Banks

The Mortgage Banks in Perspective

	Total Germany DM billion	Mortgage Banks DM billion	Market Share %	
ISSUING			· ····	
Domestic bonds outstanding	2,963.9	715.8	24.2	
Domestic bank bonds outstanding	1,731.7	715.8	41.3	
Pfandbriefe outstanding	1,103.7	653.2	59.2	
LENDING		 		_
Residential property	1,201.5	260.7	21.7	
Commercial real estate	293,4	144.8	49.4	
Federal, state, municipal governmen	nts 625.8	250.1	40.0	
		•		

are specialists in long-term mortgages and lending to the public sector. In 1994, loan commitments of these 26

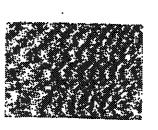
mortgage banks amounted to DM 184.4 billion - property loans accounting for DM 90 billion, and public-sector loans for DM 94.4 billion. At yearend. total lending stood at DM 810.8 billion, up nearly 11 % over 1993.

On the funding side, DM 178.3 billion were issued, of which mortgage and public Pfandbriefe accounted for DM 146.1 billion. In 1994, Pfandbriefe outstanding from the mortgage banks reached a record DM 653.2 billion, which was more than 59 % of Germany's total Pfandbrief market and 22 % of the country's entire bond market.

Typically offering a yield pick-up over Bunds, German Pfandbriefe give investors an attractive combination of safety, returns, and long-term value in a stable currency.

For further information, just contact the Association of German Mortgage Banks (VDH) in Bonn, Fax (228) 9 59 02 44.

GERMANY'S MORTGAGE BANKS FROM THE GROU



MEMBER BANKS

DEPFA-BANK, WIESRADEN BAYERISCHE VEREINSBANK AG, MÜNCHEN

HYPO-BANK, MUNCHEN DEUTSCHE HYPOTHEKENBA FRANKFURT AG, FRANKFURT RHEINHYP, FRANKFURT

DEUTSCHE GENOSSENSCHAFTS HYPOTHEKENBANK AG, SI FRANKFURTER HYPOTHEKEN

DEUTSCHE CENTRAL BODENKREDIT-AG, KÖLN BAYERISCHE HANDELSBANK AG

WESTHYP, DORTMUND BERLIN HYP, BERLIN SÜDDEUTSCHE BODEN CREDITBANK AG. MÜNCHEN

MÜNCHENER HYPOTHEKEN HAMBURGHYP, HAMBURG

STUTTGART NÜRNBERGHYP, NÜRNBERG

HYPOTHEKENBANK IN ESSEN AG, T DEUTSCHE HYPOTHEKENBANK

(ACT.- GES.), HANNOVER BRAUNSCHWEIG-HANNOVERSCHE HYPOTHEKENBANK AG,

HANNOVER \$2 ALLGEMEINE HYPOTHEKEN-BANK AG, FRANKFURT

RHEINBODEN HYPOTHEKEN Bank ag, köln LÜBECKER HYPOTHEKEN-

BANK AG, LÚBECK NORDHYPO BANK, HAMBURG BFG-HYPOTHEKENBANK AG, FRANKFURT

WL-BANK, MUNSTER

HYPOTHEKENBANK IN BERLIN AG.

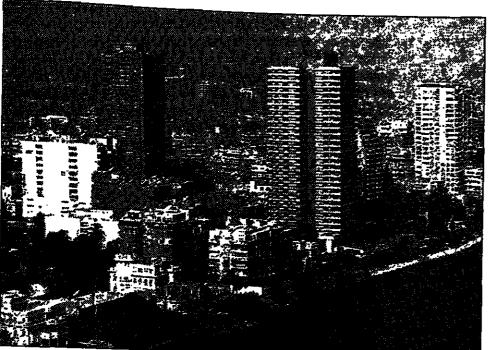
GARBERT STATE OF STAT

Mi De E Wc GRI 5v-Bo: Z Be' W-(4) Boi Ool D 1.9.7



A DYNAMIC COUNTRY IS TRANSFORMING ITSELF

The critical months ahead will shape the country for the next four years, as the economic reform process picks up speed.





Sharm El Shalith, Sinal Peninsula (top); Calro's skyline (middle); traders on the Cairo Stock Exchange.

Cairo has had its differences with creditors and the International Monetary Fund over the pace of reform but is quietly confident that this time it has got it right. The past year has been spent consolidating policy and macroeconomic infrastructure and starting the process of marshalling internal financial resources. As these resources come into play, the political and business leadership is beginning to savor the benefits of a measure of financial independence.

In the regional arena, Egypt is content to take a back seat in the Peace Process. It took a strong lead in protests at Israel's expropriation of Arab lands in East Jerusalem and in voicing reservations over signing an open-ended extension of the Nuclear Non-Proliferation Treaty without Israel's participation.

We want to keep the Americans in the forefront," says Osama el-Baz, director of the President's Of-fice for Political Affairs, of the Syrian negotiations. "The United States should present a draft position paper to break the deadlock, he maintains. Peace will come because the advantages outweigh the disadvantages for all sides, but he warned that the region may be running out of time with the Israeli and American election seasons getting into gear next

Stable environment

On the home front, the successes are easier to define: a stabilized macroeconomic environment where the policy direction is set and the economy responds to controls. The budget deficit for the current year to end in June is on the 1.5 percent target set by the IMF's structural adjustment program. Inflation is under 10 per- these resources with others generat- en bilateral business ties, is concent on an annualized basis; it dipped back to 9.4 percent in March after rising above 10 percent in the preceding three months, and real interest rates are 1.5 percent to 2 percent, sufficient to attract savings. The growth rate is a subdued 3 percent to 4 percent and is projected at 4 percent for 1995-96.

Agreement foreseen
Of the elusive IMF agreement, Minister of State for International Cooperation Youssef Boutros Ghali says, "We are 90 percent there and still talking." Both sides want to increase the growth rate and employment and agree on the tools to be used, according to Mr. Boutros Ghali. The trick is what combination of these tools to

The lack of agreement means that Egypt cannot draw down the last \$4 billion tranche of debt relief granted after the Gulf War. Running past the end of the year incurred a significant debt service penalty. After 1996, Egypt will also have to start adjust-ing to diminishing aid from the United States.

Increasing convertibility of the pound, however, means that Egypt now has some financing options. "Obviously when your resources decline, you suffer," says Mr. Boutros Ghali, "but it would be the same if my tax or customs revenues went

Aid is no longer the main foreign exchange provider. Its decline doesn't mean my dollar receipts are going to be a problem. It does mean, however, that the resources available to the economy are going to decline, that I am going to have to substitute

ed domestically."

Sophisticated market

And that is what the government is doing. The framework of the market economy has been set in place, the institutions have been established and now the process of "furnishing" financial markets is in hand.

"We have always underestimated the market's sophistication, its capacity to absorb instruments," notes Mr. Boutros Ghali. On the one side, managers are discovering the wonders of market management and market forces, and on the other, workers in the economy itself are discovering the muscle of capital markets and the banking system. "Both sides are groping for a new equilibrium," he says. It is a process he does not believe should be forced because once it is properly established it will provide a good platform for later acceleration. The business environment has improved dramatically. Egypt now gives tax incentives to enterprise, and the Investment Authority is being reformed Ibrahim Kamel, chairman of Kato Aromatics SAE and himself a member of the Investment Authority board, predicts that the board will confine itself to policy and move out of administration altogether.

Projects worth less than 50 million Egyptian pounds (\$14.7 million) now go through on a nod, and it may not be long before all restric-

tions on project size are removed. Mr. Kamel, who heads the prestigious Presidents' Council, which was established by U.S. Vice-President Al Gore and Egyptian President Hosni Mubarak in order to strength-

scious of the necessity of showing the acceptable face of capitalism. The idea of capitalism without social responsibility is a recipe for disaster." he warns.

He is sensitive to criticism that the regions, and particularly Upper Egypt, have been neglected. He thinks that Mr. Mubarak's decision to grant land to investors in industrial zones being established in Beni Suef, Minya, Assiut, New Valley. Sohag and possibly Aswan is important for sending "a clear signal to governors, government agencies and investors that it is the political will of the whole country to help Upper Egypt."

Public confidence

Mr. Kamel thinks 1996 will be a critical year. If the public begins to see the fruits of the policy this year and votes in young dynamic members in next year's general election, with the infrastructure and the legislation in place, "they could achieve a lot in four years." A little prosperity and public confidence in the reform process will make restructuring of the public sector - the next and ultimate challenge - that much easier.

Mr. Boutros Ghali agrees that there is a window of opportunity that will not remain open indefinitely. "I am not complacent," he says. "We are off to a good start, but we have a long way ahead. The equilibria are there and working, but as long as I have not achieved a steady, labor-intensive growth of 6 percent to 7 percent, which would allow me to nibble at the pool of unemployment, I am falling behind."

Alan Mackie



Tel: (062) 601630/31/32/33

Fax: (062) 601634



Egypt

REAL ESTATE DEVELOPMENTS SPRING UP

Spacious villas make good investments in Egypt's new industrial cities, in commuting distance from Cairo.

Planners have long been at tor development companies shopping amenities. It will River in Giza Mr. Karnel is a loss as to how to persuade urban dwellers, particularly those in Cairo, to forsake their poky polluted flats in the big city for the open spaces and pure desert air of the new communities. But in the nature of seeds sown on stony ground finally taking root, the idea may just be catching on.

There are several reasons why. The new industrial cities, such as Tenth of Ramadan and Sixth of October, which took root and grew in the 1980s, have matured. The transverse Egyptian commuter, living in the city and working in the new cities, was born. These new commuters have money to invest and are not averse to deserts and fresh air. What pushes them to send

away for the glossy brochures of the new upmarket urban developments sprouting up around Cairo is the realization that their flats in a high-rise block in Heliopolis or Zamalek would probably fetch twice as much as a new villa with swimming pool in one of these new communities: sell the flat, buy the villa and bank the difference for, a rainy day, the argument

goes.
The government has laid plans for a surge of middleto high-income communities between Cairo and Ismailia, each providing for around 50,000 inhabitants. The authorities lay on the infra-structure and sell land in lots of 600 square meters (717 square yards) upwards.

A number of private-sec-

"EGYPT"

was produced in its entirety by the Advertising Department

of the International Herald Tribune.

WRITERS: Pamela Dougherry, based in Amman, Jordan.

and Alan Mackie, based in London.

PROGRAM EDITOR: Bill Mahder.

PHOTOS: Thomas Hartwell.

Sonesta Hotels, Resorts

OFFER YOU

Egypt
WITH OUR PERSONALISED

SERVICE AND FINE QUALITY

Sensta Hotel Cairo

Sonesta Nile Goddess

W & Nile Cruises

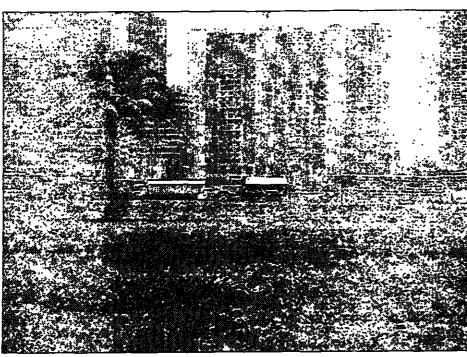
have taken the bait. One is Construction and Development Engineering (CDC), an affiliate of the Hassan Dora Group, CDC has bought 1.1 million square meters in Shuruk 2000 and is developing a residential compound of 600 villas. These are being marketed in some 20 de-

also be secure.

CDC only began marketing the villas in January and has already sold 120 at price tags varying from around 500.000 Egyptian pounds (\$147,145) up to 1.5 million Egyptian pounds. Explaining people's interest in the property despite the fact that

marketing the First Building nearby, which will be Cairo's most luxurious complex when it is completed next year, at similar prices, At a quarter of Manhattan, London or Paris prices, it makes a good investment, he

reckons. How much longer proper-



signs and in lots varying between 450 and 1,250 square

Described in the promotional literature as "a fantastic paradise" of parks, trees and open spaces, the compound will have the added attraction of sporting and

Real estate prices continue to soar. Prices in the Nileside Agha Khan Development in northern Cairo, not the smartest area in town. have jumped from 800 Egyptian pounds to 2,000 Egyptian pounds a square meter in the past two years.

stabilizing, however. The Abdulaziz Ali al-Mutawa Group is marketing its luxury Ville Blanche condominium at the Pyramids at 2,200 Egyptian pounds a square meter after a careful analysis of market trends. These prices compare with 3,000 Egyptian pounds to 4,000 Egyptian pounds a square meter for choice areas of Zamalek and Mohandeseen and pale beside the \$3,000 a square meter obtained by Ibrahim Kamel for a 17-story block situated by the Nile

housing in earnest in addijoint private sector schemes. change in the rent law will commodation from an estipied apartments.

For the time being, the lack of easy credit makes the place in Egypt, then urban property is likely to feel the

shortage is easing. The gov-ernment is building low-cost tion to catering to middle- to high-income groups with Further, the impending release a flood of rented acmated 1.5 million unoccu-

> Holding Co.] reduces its stake by 15 percent and increases the capital by 10 per-cent with the issue of new shares," says Chairman Soliman Reda Ali. The group made profits of \$27.5 million in 1993-94. Naga Hammadi became fully operational in April 1977. At that time, it had a design capacity of 100,000 tons per year, which was subsequently increased to

ing for Western technology in 1983, when it became clear that there was little future in Russian technology, Egyptalum instituted piecemeal changes, which enabled production to rise to 180,000 tons per year -14,000 tons per year above design capacity. Metal purity was also improved to a highly competitive 99.83

he Naga Hammadi alu-

sion and rehabilitation pro-

gram that will put the com-

plex, the most integrated of

its kind in the Middle East,

in the same league as other

regional producers. The ex-

pansion will be partly fi-

nanced by the stock market.

toward privatization in July,

when the holding company

[Metallurgical Industries

166,000 tons per year. Opt-

"We will take the first step

The Aluminium Company of Egypt (Egyptalum), a vast complex in Naga Hammadi, employs several thousand people.

A NATIONAL INDUSTRY'S SUCCESS STORY

An aluminum company in Upper Egypt reinvents itself with updated equipment and improved engineering.

a-year sales.

The mill, which is being

potential. The hot mill is due

to begin test runs in July and

come on stream in Septem-

ber, is only the second that

the contractor, Pechiney, has

ever installed. It is a DSR

(dynamic shape roll) mill ca-

pable of producing excep-

tionally thin (0.2 millime-

ters, or 0.00788 inches) and

uniformly even aluminum

Egyptian pound (\$176.6

million) annual output to sell

press sheets and flats for

canning and packing.
"We already have orders

from Commonwealth Metal Corp. of the United Sates and MGMA [part of the

Metallgesellschaft Group],"

says Mahmoud Aggag, the rolling plant director. Most of the 1 billion Egyptian pound finance for the mill construction comes from

company resources, the impending share flotation and

450 million Egyptian

in marketing production in-ternationally in the 1980s. In November 1991, the company began testing a prototype pre-baked anode

This proved so successful, according to Zaki Basyouni, managing director of Smelter and Cast Houses Sectors, that 92 are to be installed over the next 12 to 15 months, and the existing 460 pots upgraded over the next five years. Tied in with this, bids are being studied for an AC/DC rectification substation. Cegelec of France has a contract to install a production control system using Pechiney software. ABB Fluct of Norway is supplying a gas-cleaning substa-

These changes and addi-tions will raise the smelter's capacity to 200,000 tons per year in the latter half of 1996 and to 300,000 tons per year by the turn of the century. Meanwhile, contracts have also been awarded to a consortium consisting of Mechatherm International of

Britain, Pechiney of France

pounds in loans from Egyptand Wagstaff of the United ian banks States to build a new foundry. This will supply Fighting for profits the jewel in Egyptalum's

crown, a state-of-the-art Finding funding is a constant struggle says Mo-hamed Sherif Hassan, head 60,000-ton-per-year cold press rolling mill. Currently, of project management and the complex produces only rolling slabs for sheets and infrastructure, given Egyptalum's ambivalent staflats, wire rod for cables, billets for extrusion and alloys tus as "a joint stock company working like the private sector." The government for car parts. Local consumption takes 80,000 tons per year, which will rise to tends to milk profitable state enterprises to finance its 100,000 tons per year in July own expenditure. Says Mr. when the mill comes on stream. The rest is exported, Hassan: "We have to fight for our profits to make more mainly to the European Union, the Middle East and projects." the United States. Exports

The company tries assiduaccount for 55 percent of Egyptalum's \$300-millionously to generate cash from ancillary industries. Its engineering workshops are pro-viding most of the 35 perconstructed by Clecim of cent local content for the new cold mill. These work-France, will greatly enhance shops have made furnace Egyptalum's export earning linings and spare parts for the Dikhaila steel works in has a design capacity of Alexandria and built fur-100,000 tons per year. The naces for a number of local cold mill, which is due to companies. Egyptalum is buying Mechatherm designs for a furnace manufacturing facility.

The company also runs an 800-hectare (1977-acre) farm that not only supplies the complex but also serves the wider community. Indeed, only 4,000 of the 10,000 employed by the Egyptalum expects the complex work in aluminum cold mill's 600 million production. Like other state enterprises in the fortunate position of expanding, Egyptalum is tackling the problem of overstaffing by

like hotcakes, particularly in the United States, which is a major consumer of cold redeployment. This does not, of course, help the local unemployment situation. The aluminum complex does, however, offer a beacon of hope. to a region that has long been benighted by poverty and neglect. For the fortunate few who were originally recruited from the neighboring sugar-cane plantation, training and retraining have provided the security of lifelong work.

minum complex in Upper Egypt is a classic example of a state enterprise that has successfully reinvented itself. And, thanks to the recent revival in aluminum prices, it is now ready to ake on the world. Since the 1980s, high-rise buildings have been built for middle- to high-income families. The Soviet-built smelter started life as a white elethe utilities will not be in ty prices can sustain these phant with power-guzzling, percent. Low metal purity had been a major handicap place until mid-1997. levels, let alone continue to labor-intensive technology CDC's General Manager climb, is open. Egyptians, and has been gradually re-Zakaria Zidan says, "About especially those returning vamped into a working ele-80 percent of people are buying for investment." from Saudi Arabia and the phant - as much by in-house Gulf, still regard a villa in a engineering as by the addinew community or a tourist tion of new equipment. Now Soaring prices village as the best hedge Aluminium Company of Certainly, getting in on the ground floor of such schemes can be lucrative. Egypt (Egyptalum), the opproduction cell. against a weak currency. But the acute housing erating company, has embarked on a massive expan-

There are signs of prices

property market less prone to a speculative fall; the advent of mortgages could indeed help sustain prices. The real issue, however, is inflationary expectations; if the government is serious about beating inflation, then attitudes about property will change. Equally, if a lifestyle revolution is taking

pinch first.

The National Bank On Egyp

in Terms of Universal Bankin

NBE : Penetration of untraditional

areas of activities.

NBE: Newly introduced services

NBE : A sound presence worldwide.

Total Footings

Total Deposits

Total Loans & Investments

comprising credit cards, express

response, home banking and cross

transfers, speed cash, voice

country banking.

NBE: A catalytic role in the capital market.

NBE: First mutual fund in Egypt.

Achievements translated in the

Bank's figures as at 30/6/1994

Surplus Available for Distribution L.E. 80 ma.

NBE

Proven Competence in a Changing World

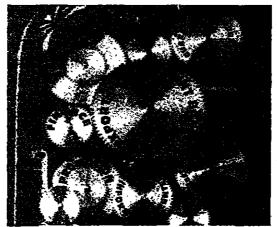
Head office: 1187 Corniche El Nile , Cairo P.O. Box 11611 Tel. . 5749101 Fax 762672 Tix. 20059 NBE UN

L.E. 33 bn.

L.E. 25.3 be

in a Well Tuned System All Gears Turn as One

Integrated Banking Services from EDBE



When everything works in harmony, your business growth turns in a great performance. As Egypt's export banking expert, the Export Development Bank of Egypt can deliver proven outstanding results. We provide the most extensive range of services and guarantees that allow you to expand into new markets with the greatest security and best performance. We are tuned into your needs for optimal performance, effortless interface and flexible growth.

A Serious Step in The Right Direction



Export Development Bank Of Egypt

10 Talaat Harb Evergreen Building, Cairo, Egypt

American Express in Egypt to help you

- Issuance of Airline Tickets
- Car Rental Outgoing Travel Packages
- Hotel Reservations
- Sightseeing Arrangements
- Reconfirmation on all Reservations Incentive Travel Arrangements
- Meet & Assist Services
- · Conference Organisation
- Business Travel Centres (Cairo) 15 Kasr El Nil, Downtown
- 21 Giza St., Nile Tower Bldg. • 72. Omar Ibn El Khattab St., Heliopolis
- Travel Service Offices:
- Marriott Hotel, Cairo
- Nile Hilton Hotel, Cairo
- 4 Syria St., Mohandessin, Cairo
- · Sofitel (Pullman) Maadi Hotel, Cairo · El Moaskar El Romani St., Alexandria
- Old Cataract Hotel, Aswan • Winter Palace Hotel, Luxor.

American Express of Egypt, LTD

21. Giza St., Nile Tower Bldg. Tel.: (202) 5703411 - 19 Fax.; 5703146/147



みの事業 ********

LODI CING PO

KES A RISI

ALC: NO DO NO. to make the with Water the Little The first company Carry Control of the

The section The second of the second

latet debuit of the same state. 15 - 20 - 15 July 1 77.41

fat francis fran

W. Hr. Hes

No. of A VER

in the Admin

 $\in \hat{\mathcal{B}}_{k, \phi_{k, k}} \setminus$

4 Tayaran Street, Nasr City, Cairo Tel:2628111 Fax:2635731

FOR INFORMATION & RESERVATIONS Call Your local travel agent. Or Sonesta Hotel Cairo:

Sonesta Sun Goddess

Truly the best on the Nile

- -

- `-

licymake

Egypt

STOCK MARKET MAY GO INTERNATIONAL

As privatization speeds up, so does investors interest.

I here was pandemonium stimulate popular interest early this month in the of fices of Triple A Company for Securities Trading on kers to the Alexandria Pharmaceuticals Co. when ap plications for its first public share offer came dooding in. So large were the cash receipts that the brokers had to

ask their bank to cemain open to process them. "People had been reading about [the offer] for the past three or four months in the press." says Mohamed Hosny, vice president of Triple A Securities. The word was out that it would be "another Pachin," the Paint & Chemicals Industries Company flotation launched at 250 Egyptian pounds (\$73.57) a share, which touched 720 Egyptian pounds before settling at 638 Egyptian pounds. Good profits were made in the stock market in 1994, the index increasing

one and a half times over the This year has so far been much quieter - which would explain why so many people registered themselves, their children, their grandchildren and long-departed ancestors for the Alexandria Pharmaceuticals offer in the event. it was 15 times oversub-

scribed, while Pachin was

.

A

10 times oversubscribed Sure-fire winners First flotations of privatized companies, especially wellrun companies, are sure-fire winners because only a few shares are offered in order to create a market for larger subsequent flotations. The

average people in the belief that they should enjoy some benefit from the sale of state The success of Alexandria

Pharmaceuticals is good

authorities pitch the offer at

and confidence in the stock market's long-term prospecis. Market urmover has, in fact grown exponentially in the past two years - admittedly from a minuscule base, it was a million Egyptian pounds in 1994 and is expected to doubte or triple

Second, it marks a speeding up of the privatization process. That process has been given a decisive push by the public's growing ap-petite for new issues on the one hand and the World Bank's impatience with the slow pace of privatization on the other. For the first time, the PEO [Public Enterprise Organization] has done three issues in a week. says Mr.

Four and counting Indeed, four public offerings came to the market in the first half of May alone Firsttranche issues, besides 'keeping everyone very busy "tend to upset the rest of the market by creating a liquidity shortage when private investors seek to offload other stock to get into the new issue. In contrast. second-tranche issues attract fresh funds. 'People who apply for second-tranche issues are high-net-worth individuats and institutions that want to position themselves in the market." says Mr.

Hosny Thus, while the press was reporting the pyrotechnics of Alexandria Pharmaceuticals. brokers Hermes Financial successfully launched a second 500,000 tranche of Tourah Cement shares. The flotation was four times oversubscribed. All applications were met in full, raising the private stake in the

company to around 30 per-



Egyptian men and women working at the Cairo Stock Exchange. taken place with Amreyah Cement and Kabo Li Nusr Ciothing and Textiles, where a 22-percent private shareholding before privatization has been raised to 30 per-

New funds New funds are being tapped slowly, and the market is deepening. It needs to. Of the Cairo stock market's 18 billion Egyptian pound mar-ket capitalization only around one-third is issued shares and "in the float."

making for a very thin mar-The hope now is that for eign investors who have been eyeing the Cairo market will start participating. "International funds will help liquidity." says Aly el-Tahry, joint managing director of Hermes Financial, not-

To devalue or not to devalue has

been the question haunting the Cairo

business community this past year -

to the intense annoyance of the au-

thorities, who have seen investment

decisions deferred in consequence.

plicated relations with the interna-

tional Monetary Fund, which was

widely reported to be in far or of the

Fences have been mended with

the IMF and a proper perspective on

the issue restored. But for Minister

of State for International Coopera

tion Youssef Boutros Ghali, the ex-

change-rate question is a classic ex-

ample of the way issues can be over-

simplified and distorted. The issue

For a time, the question even com-

ing that the firm tends to see emerging markets in a re-gional dimension. Most of the nig investment institunons have a representative in Cairo now but have been deterred from dealing by the antiquated clearance system. among other things. A new clearinghouse is being established by Banque Misr that will reduce settlements to a simple book entry.

New money should spawn new products that the market badly needs. The four homegrown mutual funds established over the past year or so have been hamstrung by the tack of investment outlets. On the whole, they have performed creditably considering that they had to ride out the October 1994 stock market correction before

National Bank of Egypt (NBE). Banque Misr. Banque du Caire and Bank of Alexandria - which still control 65 percent to 70 percent of bank deposits but generate only a small frac-tion of total profits. There is a group of local and Arab private-sector banks that caters to the needs of local industry and commerce, as

well as expatriate Egyptians

in the Gulf. There is also a

group of private-sector

is a set of policy measures of which

the exchange rate is only one com-

ponent. I can live with an underval-

ued overvalued or a floating rate,

depending on what I do with the rest

er and for the time being at least,

appears to have won the argument.

Interest rates have been kept at a

steady 3 percent premium on dollar

rates and over the past year the

Egyptian pound has been allowed to

slip around 2 percent against the

U.S. currency in effect, a signifi-

cant devaluation against most major

European currencies and the Japan-

ese ven. The preferred method of

helping exporters, who have been

The government resisted, howev-

of the system." he says.

Western" banks that mainly

Banking in Egypt is undergoing a cultural as well

as technological revolution

as capital markets get into

their stride and automation

begins to transform the very

nature of retail banking. At

the same time, the deregula-

tion of fees and commis-

sions is shaking up the in-

The banking community

in Egypt is a heterogenous

group catering to very differ-

ent clienteles. At the heart of

the system are the "Big

Four public sector banks -

serves Western corporate interests and high-net-worth individuals.

cope with the introduction of an automated national clearing system and the SWIFT international payments system. They have used the strength of their branch networks - they still own around 60 percent of the total - to promote credit and hire purchase schemes, and they can be expected to offer mortgages now that they have been legalized. In addition, they are moving into the 1992 government decistockbroking and investment services. NBE and Banque Misr

the fast two years grappling

with internal reorganization

to accommodate the new

market-led credit environ-

ment. They have also had to

BANKING: MORE THAN ENOUGH BUSINESS

are under pressure to consol-

idate, reduce their liabilities

and improve their loan pon-

folios. The Central Bank has

reporting standards and ask-

ing banks to upgrade their

lending ratios to conform

with the internationally rec-

ognized Basel requirements.

For the Western banks, the

market and the challenges

have been different. By far

the most relevant factor was

sion to allow foreign branch-

es with a capital base of \$15

million or more to deal in lo-

cal currency without being

subject to local banking pro-

Fortunately. Cairo banks

have been so profitable these

past five years that there has

been more than enough busi-

ness to go around. "Egypt is still profitable." says Ahmed Dabbous, the regional head

of American Express, which

has four branches in Egypt.

"Most of the leading banks,

Western banks

Egypt offers public- and private-sector banks for every type of clientele in the country - and outside of it.

were pioneers in faunching their own mutual fund, and along with Banque du Caire, in marketing their own Visa But the Big Four are en-

cumbered by their ties with the hard-core public-sector state enterprises. They will not really be able to restructure until a solution has been

banks have resisted Central

The smaller private-sector

The state banks have spent THE EXCHANGE RATE QUESTION LOOMS LARGE

> tive exchange rate, is to tackle bureaucracy and regulatory obstacles while improving marketing quality control and management. Mr.

Boutros Ghali maintains that "these are far more important than price competitiveness. Egypt has established a stable equilibrium in its current account balance, backed by reserves of around \$17.5-18 billion - a comfortable 16 months of imports "Capital can flow in and out; it is not used to finance the current account." says Mr Boutros Ghali. Egypt was con-

sequently untouched by the turmoil

that Mexico's financial crash created

found to refunding the public-sector debt

including us, are making a return on equity of 18 per-cent to 20 percent." The main source of profits is still trade finance, short-term lending up to one year and opening letters of credit for complaining about the uncompeti-

visions.

corporate clients. Mr. Dabbous predicts that those who have made the move into corporate finance/capital markets activities will make good money. "The knowhow is not there yet; neither are the commodities, so they can charge good margins. The market will experience

> which we will see good activities developing." he adds.
> Indeed, banks that concentrated on finding and keep-ing "blue-chip" customers when there were still easy pickings to be made in T-bills have fared best. Egypt-

a sharp learning curve over

Bank attempts to have them ian American Bank (EAB), merge. Nevertheless, they American Express's joint venture with Bank of Alexandria - seeing which way the wind was blowing when interest rates started concentrated on improving falling in 1992 - made a push into corporate finance. investment banking, share valuations and financial engineering. It has also launched its own mutual fund and is preparing some

bond issues. The advent of T-bonds has added another dimension to banking. The first 3 billion Egyptian pound (\$882.8 million) tranche of the 15 billion Egyptian pounds that the authorities intend to raise was launched in April and was oversubscribed. The five-year bonds earn a minimum of 12 percent, or half of I percent over the dis-

The immediate impact of the issue was a firming of Tbill rates and a general tightening of interbank money rates as liquidity was taken out of the system. Whether or not this signifies a change to higher interest rates, the bonds' listing on the Cairo stock exchange in August will be a benchmark in more senses than one. In the words of Hermes Financial's Aly el-Tahry: "It will put down a yield marker for

Egyptian risk. It will also clear the way for the development of a bond market. There has been only one free-standing bond issue in Cairo in recent times, a 70 million Egyptian pound issue for Victoria United Hotels, raised by NBE in March. which enabled corporate borrowers to the next two years, after make a commercial judgment between bank loans or the capital market. This could be a potentially lucrative business for banks, as bonds have tax advantages over loans: may all lighten the balance sheet.

A.M. over loans: they also help

مركزالقاهرة الدولى المؤتمرات Catro International Conterence Centre

Paragraphic temporal against the time

news on two counts. It belos cent. A similar process has

The Biggest Conference Centre in the Middle East Cairo International Conference

Centre (CICC) is the only comprehensive conference center in the Middle East, over 70 acres of which 80,000 sq.m have been given to conference facilities. The conference center has 3 main conference halis, Cheops seats 2500,

Chefren seats 800, Mycerinos seats 600. The three hails have voting, discussion and public address systems. simultaneous interpretation and all audiovisual equipment. This in addition to the most sophisticated stage in the Middle East which exists in Cheops Hall.

CICC also offers the most comprehensive professional and exhibiting facilities. Over 13,000 sq.m. to accomodate the increasing demands of trade shows, as well as national and exhibitions. international compressed air, electricity and utility boxes including service are provided in

the exhibition halls. CICC also has a stunning banquet

hall, Nefertiti Hall. In addition to ail these facilities there is a press center, a commercial center and a

business center. CICC hosted many international conferences, such as the Africa Telecom' 94 (ITU), the International on Population and Conference Development (ICPD) and the U.N. congress on the Prevention of Crime and the Treatment of Offenders.

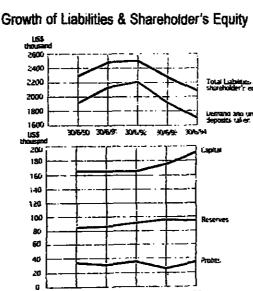
Move your conferences and exhibitions to CICC.

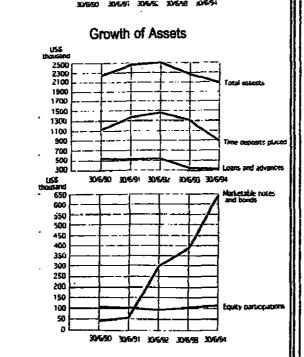
Contact Info. Tel: (202) 4017593 / 4018948 Fax: (202) 2634640 / 2634616

Arab International Bank

Your partner for banking activities in Egypt and have correspondents in all continents.

Reserves : US\$ 91 million 31/12/94 Total Assets / Liabilities: US\$ 2361 million

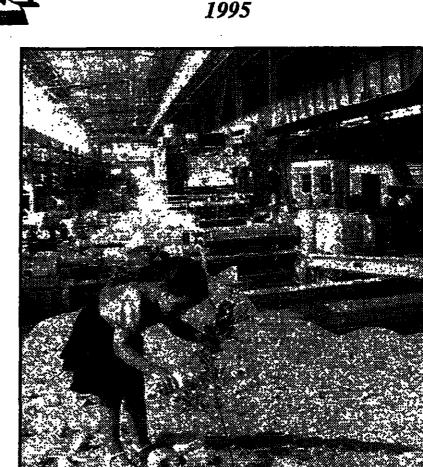




EQUITY PARTECPATIONS DISTRIBUTION ACCORDING TO ACTIVITIES



THE BIRTH OF A GIANT **EGYPTALUM ROLLING MILL**



Capacity

: 120,000 M/T Hot Rolled Sheets

60,000 M/T Cold Rolled Sheets

Equipments

: Clecim

Know How Range of Products

: Pechiney

: Hot and Cold Sheets, Plats, Strips, Chequered Corrugated Sheets.

In Alloy 1000, 2000, 3000, 5000, 6000, 7000 ... Series

Cairo: 50 Abdel-Khalek Sarwat st...

Nag Hamady:

Tel: (02) 3902284 - 3903609 Fax: (02) 3930716 - Tix: 92119 - 94131 EGTAL UN

Tel: (096) 339214 - Fax (096) 337107 - Tlx: 92850 EGTAL UN

<u>PA</u>

SPONSORED SECTION

ALEXANDRIA -

THE POWERHOUSE OF EGYPT HOLDS MILLIONS IN THRALL

The city attracts tourists, historians and literati.

Alexandria has always ocpopular imagination by virtue of its associations with Alexander the Great and Anthony and Cleopatra. Its lighthouse was one of the seven wonders of the world, bespeaking Alexandria's status as one of the greatest cities in the world in the six centuries that straddle the birth of Christianity.
Little links ancient

Alexandria with the modern city that flourished on the back of the cotton boom and the development of the port in the last century - both of which helped enrich the mythology. The city's free port status, established in Ottoman times and ended only in 1937, accentuated the cultural ambivalence inherent in the city's location an isthmus with its back to Egypt, facing the Mediterranean. The idea of a free city was a theme that the Greek poet C.P. Cavafy, writing in the early part of the century, and Lawrence Durrell, before and during World War II. developed in

their writings.
During World War II. Alexandria was the Allies first defense against the advancing army of the Axis. Alamein, where the Allied Forces under Montgomery of Alexander's tomb have so turned the tide in the Desert War, is a mere 80 kilometers (50 miles) west of Alexandria. Since the 1952 revolution and the centralization of power under Nasser, the city has been brought firmly within Egypt and into Cairo's ambit. The foreign community has largely mented. The beaches have

Alexandria has always oc-cupied a special place in the the first to be formed in Egypt, exactly one hundred years ago – has lost its finan-cial independence.

The city did benefit from

Nasser's industrialization program: 40 percent of Egypt's industry, mainly food processing, textiles and refineries, is based in its hinterland. And it became the country's main summer recreation center, with more than 2 million Egyptians annually on its beaches.

Urban migration and greater prosperity in recent years have swelled the native population to 4 million, almost twice the 1976 census. But the city's commercial life - the community of bankers, brokers and shipping agents - was effective-ly destroyed. Today it has a few good restaurants and movie theaters, but no pretensions to emulate the nightlife of the capital.

Tourism and development It is because Alexandria is as much a state of mind as it is a place that its allure trancends this rather provincial setting. The authorities are beginning to take a greater interest in the city's history and its commercial potential. Excavations to find the site far come to nothing, but one scheme, backed by UN-ESCO, is bearing fruit. This is a plan to build a new library to commemorate the Great Library burned down

Meanwhile, more practical schemes are being imple-



Alexandria's commercial district on the Mediterranean Sea.

been cleaned, and a new sewage treatment plant has been commissioned that eliminates the need to pump raw effluent into the Mediterranean. Although the city's transport facilities are adequate, plans for a subway system proceed apace. But a project to de-velop nearby Al-Amriyah into an international airport is bogged down.

Out of season, it is easy to

tour Alexandria. Indeed, the city so lovingly described by E.M. Forster in his "History and Guide" can be easily walked in a day.

And as for raising ghosts. an inhabitant of Durrell's city would still recognize a few old haunts: the Cecil Hotel and Pastroudis cafe, still a stone's throw from Darley's flat off Rue Nebi

SHIPPING AND COTTON INDUSTRIES REVIVING

Two traditional Alexandria industries are moving toward privatization and increasing international trade.

at is ironic that the two sectors most responsible for Alexandria's 19th-century renaissance - shipping and cotton - should still be in decline, both victims of the dead hand of state monopoly. In the case of shipping, the state has been reluctant to let go of a lucrative rent for doing nothing, and the shipping agency business is thus likely to be one of the last to be handed back to the

private sector. Shipping agents take the long view. Shippowners would rather pay twice over, passing the cost on to the consumer, to ensure they have a man in port looking after their interests. Says Admiral Saad Ragab, vice chairman of Worms Alexandria Cargo Services, "I'm in no hurry. I'm well established with the shipowners, A.M. and they pay me well."

Nevertheless, private shipping agencies are positioning themselves in anticipation of privatization.

There has been a gradual tioning themselves in anticipation be Egypt's transshipment port, where mother ships will discharge to feeder There has been a gradual transfer of activities to the private sector, mainly in marketing, which is something the state can't do," says Mr. Ragab. The shipping industry is

Egypt

changing with the development of containerization and the advent of computerized systems. These will all result in cheaper and quicker service, which will largely be provided by agents based in Alexandria and Port Said.

Alexandria will remain Egypt's principal port. It has been extensively redeveloped with container facilities in the past 15 years, and the deepwater port of Dikhaila has been added. Total capacity of the two is 35 million tons per year.

lies in Dammietta. This will ships that will serve smaller ports in the region. Worms has already established a computerized document handling system with a Japanese line, Nippon Yusen Kaisha, for transshipping supplies through Dammietta.

Cotton market opens
The government has taken an important step to revive the cotton industry by freeing cotton prices and clearing the way to reopen the Alexandria Cotton Exchange. But the industry is still in hiatus as the authorities make some far-reaching decisions on whether an expanded cotton growing in-dustry should be sold to the

simplicity. The bigger the

loan, the greater the commit-

ployees for social security.

pay taxes and finally draw

lend] as a hook to transfer

the enterprise from the infor-

mal to the formal economy.

But it is left to the individual

to decide whether he wants

never stop providing loans," he says. Pro rata, the scheme

has increased production in

these enterprises by 47 per-

cent, employment by 25 per-

cent and workers' wages by

26.4 percent. The opera-

tional costs, at 8 cents to the

dollar, are the lowest of any

such scheme in the world,

almost half those of similar

cal assistance to the others,

including Cairo. El-Shami

attributes ABA's success to

the fact that it has been run

private sector.

We use the amount [we

up a balance sheet.

In some ways, the future domestic market or abroad. According to Ahmed Shoman, chairman of the state-owned Cotton and International Trade Co., who helped draft the law freeing cotton prices, the aim is to restore cotton's competitive position internationally and regain lost markets. To this end, export prices are being brought more in line with world levels and announced in September each year, and a suitable amount of the harvest is being conserved for export according to the level of local demand.

LOUCING

INT VENT

AKES A RIS

. . .

· _-.2*

ag more es es es es es

This strategy helped put Egypt's fabled Extra Long Staple (ELS) cotton back on the map last year. Old customers driven away by uncompetitive prices returned, including Hong Kong, India, Indonesia and Taiwan, and new ones, in the shape of Bangladesh, Morocco, Pakistan, Singapore and South Africa, were found. The current rethink about the cotton industry goes deeper than simply reviving exports. Some believe Egypt should be developing downstream industries for its ELS cotton and exporting it as cloth and garments. While this policy review is in progress, President Hosni ment to first register em-Mubarak has ordered a ban on cotton imports, which have grown substantially over the years as Egypt's own cotton growing indus-

y has declined.

Clearly the priority must to increase the loan. We be to improve cotton yields and yarn quality, focusing on growing the premium ELS. These improvements, together with market prices, will produce the margins that will make cotton growing attractive and increase the area under cultivation. Until the present hiatus is resolved, however, and production rises, satisfying both the domestic market and exporters is going to be hard. Production in 1994-95 fell 40 percent, to a forecast 4.9 million kantars (245 million kilograms) due to bad weather conditions and a boll worm infestation. A measure of how far cotton those already operating in
Alexandria and Cairo. ABA
has declined as an export will run the Kafr el-Shaikh earner can be gauged by the program and provide technibumper season - 2.3 million kantars were exported, less than a third of export levels in the early 1960s. In 1994entirely by people from the 95 exports are expected to be no more than 1.3 million kantars.

ALEXANDRIA'S DECENTRALIZATION UNDER WAY

nomic take-off, Egypt needs to explore that "free city of ideas" that was Alexandria before the 1952 revolution, drawing on the city's past experience of independent municipal government to galvanize the private sector

into economic development. Since the 1952 revolution, Alexandria, like the rest of the country, has answered to Cairo. The central government still dispenses regional funding, but the regional authorities are beginning to have discretionary powers.

A leading businessman

and local MP, Ahmed Khairi, estimates that most by Christians in 415. governorates have discretion over around 50 percent of their budgets, but Alexandria has always had more

Poised on the brink of eco-leeway and been able to carve out a small measure of independence from Cairo. Furthermore, its private sector has the elements, history. exposure to the outside world and practical expenence to make decentralization work.

Powerful voice

For a start, the city has not lost its business identity. The Chamber of Commerce, which operates on the French system that requires all businesses to register, has issued more than 400,000 licenses. The Alexandria Businessmen's Association (ABA) is a powerful and effective voice in city and national affairs. The opening of a branch of the American Chamber of Commerce in

Egypt, in the premises re-cently vacated by the American Consulate, will add an-other voice to Alexandria's business community.

The ABA is used to taking an independent line. It refused to channel help to victims of last November's flooding in Upper Egypt through the authorities and instead built them a village for 3,000 itself.

Another example of ABA providing a practical model for the rest of the country is its hugely successful Small and Micro Enterprise project started with U.S. AID in 1989. The purpose of the project, to which U.S. AID is contributing \$10 million, is principally to create jobs. If each of the 1.2 million en-terprises employing 10 or rector Nabil el-Shami, the

fewer people in Egypt could create one extra job, the simplicity. The bigger the back of the unemployment problem would be broken.

The approach is to provide working capital of up to 25,000 Egyptian pounds (\$7357) at commercial rates to small enterprises that would otherwise be constrained from growing by the extortionate rates charged by loan sharks for supplier credit and whole-salers who exploit their need to generate cash flow. The scheme also introduces these enterprises to banks and provides the necessary training in costing, bookkeeping and accounting to help them integrate into the formal economy.

schemes in Latin America. Only \$700,000 of the \$2 million allocated was needed to start the scheme. U.S. AID has agreed to ABU-QIR FERMLIZERS open three more programs: in Port Said, Assint and Kafr el-Shaikh, in addition to

CHIEMICAIL INDUSTRIES CO.

The Largest Nitrogenous Fertilizer Complex

Granulated (700.000 T/Y)

 Surplus Liquid Ammonia 99.8 % (N) (60.000 T/Y)

<u> Total Annual Sales :</u>

 Profit Before Taxation : 125 Mil L.E. (92/93)

· Return on Capital Investment:

12 % 15 %

Ammonia / Urea Plant

· Annual Capacity: 600.000 T Granulated Urea

Total Investment :

300 Million \$ Fully Self Financed

Head Office & Factories: Tabva, Rasheed Rd., Alexandria, Egypt. <u>Tel</u> : (203) - 5601126 { 5 lines } Fax:

(203) - 5601990 { chairman office } (203) - 5602291 { marketing dept.}

in the Middle East Products: Urea 46.5 % (N) Prilled

(500.000 T/Y)

Ammonium Nitrate 33.5 % (N)

Domestic Market Share 60 %

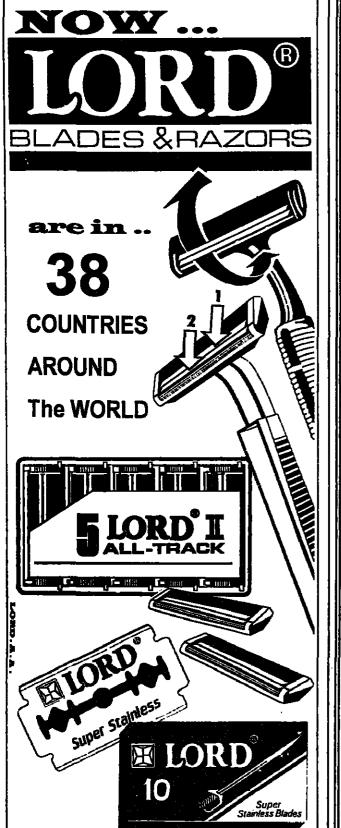
186 Mil L.E. (93/94)

(92/93)(93/94)

Future Projects:

(Bidding Phase)

 Planned Start Up: Mid 1998 50 % of Production Available for **Export**



LORD

PRECISION INDUSTRIES S.A.E.

SOBHIA - NOLIZHA - ALEXANDRIA - EGYPT P.O.Box 764 Alexandria Tel ; (03) 420 8280 - Fax ; (03) 420 3883 - Telex ; 54584 BLADE UN Cables ; BLADE - ALEXANDRIA



25 El Horria Avenue-Alexandria Telex: 55388 EGYCO UN Fax: (203) 4919811 Chairman: Ahmed A. Shouman

Egyptian Cotton Is The Finest Cotton for it's Lenght, Strenght, Cleanliness, Lustre and High Maturitu

Egyptian Holding S.A. Co.

A - Extra Long Staple Cottons (over 1 3/8 *)

> Giza 45 Giza 76 Giza 70 (Isis) Giza 77 Giza 84

B - Long Staple Cottons (over 1 1/4")

> Giza 75 (Lotus) Giza 81 Giza 86 Giza 85 Giza 80 Giza 83 Dandara

Egyptian Cotton **Exporting Firms**

1. Societe Misr Pour L'exportation Du Coton Telex: 54095 - 54096 micot UN Fax: (203) 4839090 2. The Port Said Cotton Export Co.

Telex: 54089 - 54134 Pscot UN Fax: (203) 4833228 3. Alcotan Cotton Trading & Export Co. Telex: 54026 Alfac UN Fax: (203) 4839601

4. Alexandria Commercial Co.

Eastern Cotton Co.

Telex: 54067 - 54411 Cornod UN Fax: (203) 4827368 5. Al Kahira Cotton Co. Telex: 54146 - 55327 Kacot UN Fax. (203) 809975

Telex: 54150 - 54627 Marba UN Fax: (203) 4913494

EL NASR Company For Electric and Electronic Apparatus SAE NEEA-SAE 7 w / 25 W / 40 W /60W / 75 W / 100W / 150 W / 200W

ACCREDITED BY THE DUTCH COUNCIL FOR CERTIFICATION

ISO 9002

EL NASR

Head Office & Factories - Canal Mahmoudia - Ale P.O.Box, Sidi Gaber No.21523 - Post No. 21553 Tel: 4209550 / 8 / 9 / 4206338 - Fax: (203) 4201522 Cable Factophil- Telex: 54091 PHILX UN Cairo Branch : 26 Adly Str. Cable Philor - Tel : 3929033

LOID

any. set-

26115

ther

ered

for titu-

nent

t by

or to msa-ayed ing," ioffi-Ho-Riga,

Egypt

PRODUCING FOR GLOBAL MARKETS

In both local and international markets, Alexandria feels at home with competitive business.

he Alexandrian entrepreneur thinks strategically and is not someone out for a quick buck, says Ahmed Khairy, the local MP who made his fortune in shipping and transport and has since moved into farming and other activities. "A businessman is someone who creates something," he contends. "I don't consider someone who imports and exports a busi-

nessman; he is a trader." Perhaps because Alexandria has been on the periphery of Egypt's political life since the 1952 revolution, the business community has had to think in the longer term, toward export markets, particularly in Europe.

Ahmed Khairy himself was who had become the compa-on a plane to Israel hours af-ny's distributor a few ter the normalization of relations in 1980 to revive shipping links with the Alexandrian Jewish community there. He is promoting a \$950 million refinery in Alexandria, the biggest private venture with Israel.

Ali Soliman is another Alexandrian who was "ready to think two years down the road" when he bought out Wilkinson Sword's 51 percent stake in its joint venture with Alexandria Metal Products Company (AMPC) in 1981. The razor plant was losing around \$2 million a year at the time. But Mr. Soliman,

ny's distributor a few months before Wilkinson withdrew, concluded it was poor marketing, not the product, that brought the venture down.

Within a year, the operation was in the black, and it has been ever since. Lord Precision Industries, as the venture was restyled, has sextupled capacity to 1 billion blades a year and now has 90 percent of the local double-edged and 50 percent of the metal strip market, yet still derives half its \$14 million turnover from exports to 37 countries worldwide. A free zone company, Lord International, has been established and produces 120 million disposable razors a year for the United States and NAFTA markets and boasts sales of \$7 million a year.

Managing Director Lorfy Sherbiny believes Lord is unique in Egypt in attempting this kind of precision engineering.

Global economy

Like a number of Alexandrian businesspeople, Lotfy Seefin believes the future lies in joining the global economy. He runs Philips in Egypt; the company is now renamed El Nasr Electric & Electronic Apparatus Co. Unusually, Philips was al-



Employees at work for Lord International (left) and Philips (right).

lowed to keep a 50 percent eration from a product to a stake in the company at the time of nationalization in the early 1960s. Now the company is being restructured before privatization. Mr. Seefin wants Philips to raise its stake and upgrade his op-

producer center, effectively plugging it into the Dutch multinational's global supply, production and distribution nexus.

He has done this by having the company certified trepreneur looking to ex-

for ISO 9002 by the same Dutch company that certifies Philips in the Netherlands. Since receiving certification just over a year ago, the company's exports have tripled. ISO 9002 has the further advantage, Mr. Seefin maintains, of allowing for a continuous improvement in productivity. Mr. Seefin intends to pro-

ALEXANDRIA

mote exports of lighting equipment, believing that its high labor intensity gives him a competitive advantage the audiovisual equipment and electrical white goods side of the business lacks. He is looking to exports to provide economies of scale that will enable him to expand the production range.

Another Alexandrian en-

ports to secure his future is Ahmed Sid Ahmed, whose family owns Amreya Metal Co., Egypt's only private sector metal castings company. It is a venture that is perhaps a little before its time, but Mr. Sid Ahmed has more local orders than he can handle, and they are profitable. He supplies Peugeot's auto assembly plant and the spare part market. He, too, is applying for ISO 9000 certification.

Local orders are too small to develop true economies of scale, so he has his eye on Western Europe. He believes that on long production runs he can compete with the prices offered by East European, Indian and Chinese manufacturers.

JOINT VENTURE TAKES A RISK

Chemical companies have financial, natural resources.

If all Egyptian public sector companies started life on the same footing as the Abu Qir Fertilizers and Chemical Industries Company, backed by suitable technology and unshackled from the usual social and political constraints that dog state enterprises, there would be fewer basket cases. But the trick is also to build the business, and this company has succeeded in giving the country a needed commodity at

1 e 1 e 2

- i-c

ಾಯಕ್ಕ ಇವರಿಗಾ

42.25

.

ಾ ಕನ್ನ

. ಯಾವಿ

v

The S

competitive prices. The company was formed in 1975 to exploit a large gas deposit discovered in Abu Qir bay some 20 kilometers (12 miles) west of Alexandria. Its goal was to tise nearby gas as a feedstock to produce nitrogenous fertilizer for the agricultural sector.

Financing, including some aid from Germany, was not be located in Bourg el Arab, difficult to find. Two Gers. close to the Scherer plant. man companies, Unde and Mannesmann, were concommissioned in 1979. An ammonium nitrate plant percent of turnover (current-(Abu Qir II) was added in ly 110 million Egyptian 1991. Abu Qir I & II cur-pounds) to 50 percent. Pharrently produce 1.2 million tons per year between them, about 60 percent of Egypt's nitrogenous fertilizer needs, and generate sales of 500 million Egyptian pounds (\$147.1 million).

There are plans for a second urea plant (Abu Qir III), which will make Egypt selfsufficient in nitrogenous fer-tilizers by the year 2000. The \$300 million needed is being raised by the company and its shareholders: a mix of banks, insurance companies, the Kima Fertilizer Company, the Petroleum Authority and private individuals. The company was privatized in 1990.

According to chairman Osama el-Ganainy, it will be the first project of its size in the region to be self-financing. Bids from Japanese and American companies, as well as from Mannesmann and Uhde, are being studied.

Stock market debut The seeds of the recent spectacular stock market debut of Alexandria Pharmaceuticals Co. were sown by Dr. Hassan Abbas Helmy, president of the Pharmaceutical Association of Alexandria and doyen of the local industry. Dr. Helmy and his collea; ues built the company up over 15 years before he branched out into the private sector in 1978. In 1987, he established Pharco Pharmaceuticals, based in Am-

Dr. Helmy's claim to fame is to have introduced the soft gelatin capsule into Egypt - the product of a 30year-plus association with U.S. pharmacist R.P. Scherer, who pioneered these capsules in the United States. R.P. Scherer Egypt, a joint venture between R.P. Scherer Corp., Pharco and Helmy, opened for business in Bourg el Arab New City in 1993 and now provides all Egypt's capsule requirements, turning over 40 million Egyptian pounds a year.

Dr. Helmy is a great advocate of applied technology. When he set up Pharco, he opted for installing and im-proving a new and relatively

the risk," he says. It also required faith in the technology and the ability of his team to make it work. The experience has ensured that he keep abreast of technological developments and maintain the highest quality con-

Collaboration with Scherer has produced a highly successful solvent-free gelatin capsule and has been fruitful in making coatings that improve the performance of pharmaceuticals a niche market that Pharco is developing. Now there are plans to establish a second joint venture, Pharco B International, with another U.S. pharmaceuticals group. This joint venture will also Until now, Pharco has

concentrated on the domestracted to build a nrea plant tic market, but a major thrust (Abu Qir I), which was overseas is planned that Shorid leise exports from 10 co exports to 17 countries in the Middle East and sub-Saharan Africa, is seeking reg-istration in a further 13 and has established agencies in Romania and Uruguay to develop the East European and South American mar-



WORMS ALEXANDRIA CARGO

OPERATING AS SHIPOWNERS REPRESENTATIVES FREIGHT FORWARDERS CONSOLIDATORS

REPRESENTS FARRELL LINES INC. REGULAR AND DIRECT CONTAINERSHIP SERVICE

1 SAILING EVERY 10 DAYS U.S.A. PORTS /ALEXANDRIA IN 15 DAYS **EXCELLENT INTERMODAL SERVICE OPTIMUM TRANSIT TIME**

HEAD OFFICE ALEXANDRIA **47,EL SULTAN HUSSEIN STREET** KHARTOUM SQUARE, P.O.B. 2234

TLX:55800 - 54521 WACS UN. CAIRO - PORT SAID - DAMIETTA - FRANCE

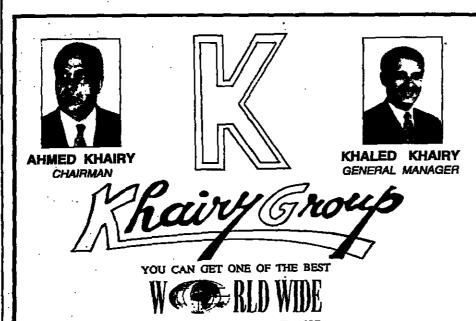


The Abu Qir Fertilizers and Chemical Industries Company plant.

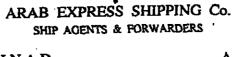
SERVICES W.A.C.S.

SURVEYORS

AZARITA TEL:4825572 (4 LINES) FAX: 4836361







CONSINAD (CONSULTING & MARKETING ADVISORY) TRAVEL AGENCY

E. T. C. EGYPTIAN TRADING CENTER

S. A. C. SAHARA AGRICULTURAL Co.

HEAD OFFICE 59, El Horria Street Alexandria / Egypt BRANCHES Cairo / Port Said / Damietta FAX.: 4909696 TEL.: 4929706 - 4939142 4916409 - 5909595 TLX.: 54363 AREX UN 54175 KAIRY UN

AMREYA METAL CO. IRON & STEEL FOUNDRY



Quality Castings with Competitive Prices

- Grinding Media for Cement Industries. Wear Parts for Cement Industries.
- Refrigerators Compressors Parts.
- Pump Casings and Impellers.
- CrNi Alloys for Oil Industries.
- Automobile Parts (brake discs & drums).
- · Other.

for more information call or write to:

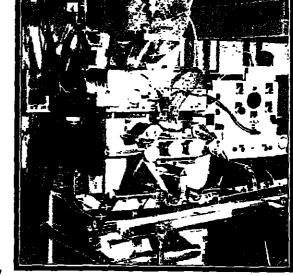
52, 26 th July st., 21111 Alexandria - Egypt Tel: (203) 981280 / 81 / 82 , Fax: (203) 982101 - 801931 AT&T Mail AMREYA

PHARCO PHARMACEUTICALS

The most advanced production technology combined with the **Current Good Manufacturing Practices.**

The latest IMS survey in the Egyptian market shows Pharco as the third leading company in own products turnover during 1994.

- ☐ The largest producer of vitamins and medicine in jellies form in Egypt, with more than 1.5 billion soft gelatin capsules produced in 1994
- produces 70 own ethical pharmaceutical products, 20 natural products and 26 products under licence by Mead Johnson, Duphar Biochemie, Mundipharma, Latema and Merz.



- □ Registered in more than twenty five Middle Eastern, African, East European and Asjan countries and manages Pharco Pharmacueticals branches in Romania and Uruguay.
- □ Takes pride in its highly qualified staff of 599 pharmacists, engineers, chemists, biologists, accountants, administrators and technicians including 6 Ph.D., 8 M.Sc. and 440 B.Sc. and 145 Diploma holders.
- □ Coorganizer to the First International Conference of Pharmaceutical Science and Technology, Alexandria, Egypt 1995

P.O.BOX: 12 SIDI GABER ALEX. EGYPT TEL: 5863745 - 5879670 FAX: (03) 5870958 FACTORIES Tel.: 980130 - 980140 - 980720 FAX: 980730

ричисо 💨 Pharmaceutical

Egypt

COUNTRY SET TO WELCOME AN INCREASE IN TOURISM

Millions enjoy antiquities, natural beauty . . . and deluxe accommodations.

3 million tourists a year. That's nothing, it should be 10 million," says Sakkara Hotels Chairman Mounir Ghabbour. His optimism reflects new hopes for an industry that in just three years has gone from being a crucial revenue earner for Egypt to being a prime vic-

SPONSORED SECTION

tim of political instability. Mr. Ghabbour acknowledges the adverse impact of political violence on the industry. "We had up to 3 million visitors annually before the terrorism," he says, "then in 1994, it was only 2 million, but 1995 is improving, and the figures could reach 3 million.

He points out that private investment in the sector over the past five years has reached \$2 billion and that the same could be achieved over the next five years. Egypt aiready has facilities for 5 million visitors annually, and new areas are being opened on the Red and Mediterranean Seas. Oasis tours, safaris and rallies are also being developed.

Government efforts to promote Egypt as a conference venue are enhanced by facilities like the Cairo International Conference Center (CICC). The CICC offers 58,000 square meters (69,000 square yards) of conference facilities on a 30hectare (74-acre) site and is a 10-minute walk from the Cairo tion grounds. With the

recent United Nations conand on crime, it proved that it can handle the largest international events. Considering all this, it is not surprising that Mr. Ghabbour sees a bright future.

The best of everything He insists that there is every reason for tourism to grow.

We have the best antiquities in the world, a growing number of resorts, the best climate and educated people who speak English and French as well as Arabic. And Egyptians are by nature hospitable," he says.

Egypt is also very competitive price-wise. Five-star \$80 a night, and overall Sharm El Sheikh's Naama

Legypt attracts 2 million to costs for a holiday are Bay area in the past six around half those of a holiday in Greece.

"Middle East Riviera"

Mr. Ghabbour's confidence is shared by Victoria United Hotel's chairman, Hussein Salem, whose eyes - and investments - are fixed on Sharm El Sheikh, one of Egypt's fastest-growing resort areas. The Sinai peninsula has been unmarked by the political violence seen elsewhere in Egypt, and its hotels are crowded yearround, particularly with European tourists, many of whom bypass Cairo and fly

directly to Sinai. Sharm El Sheikh, Da-

Stadium and the Cairo The Abu Simbel monument in Upper Egypt was a 'tigers of the Far International Exhibi- saved from destruction thanks to UNESCO's efforts. East' type of

hab, Nuwiebeh and Taba are ing here." he says, citing a ferences on development all growing fast, and the Gulf of Aqaba will soon be the Riviera of the Middle East," claims Mr. Salem. "We are already ahead of

others in the region; we can compete with the Bahamas and the Canaries, and we are only four hours from Eu-

Until the late 1980s, the Sinai coast was virtually untouched. Now Sharm El Sheikh alone has 20 hotels. Three more are under construction, and permission has recently been given for

17 new projects. Mr. Salem has invested hotel rooms costs as little as around \$100 million in years, including \$34 million on a Moevenpick Hotel-Jolie Ville and \$15 million on a water desalination plant. In addition, \$30 million is planned for the South Sinai Golf and Country

The Moevenpick complex contains not just the traditional resort facilities such as a health club, pools and a diving center, but also has its own sewerage treatment plant whose recycled water is used for the hotel's exten-

sive gardens.
Mr. Salem's second major investment is the South Sinai Water Company. This company runs the desalina-

tion plant; it is also the first private wa-Egypt in the last 75 years. In its first stage,

the South Sinai Water Company is providing 3,000 cubic meters of fresh water daily to the Naama Bay area. A second stage will extend to the rest of Sharm El Sheikh and will also use treated wastewater for gar-Finally, stage three will push production to 6,000 cubic meters per day.

the region as charting new paths not just for the tourist industry but also for Egypt's economy overall. "This is the beginning of growth; it is start-

Mr. Salem sees

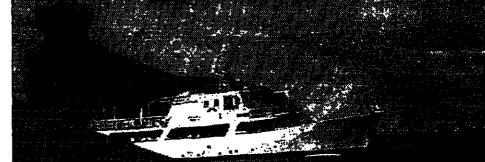
per capita income of \$3,000 in Sharm El Sheikh, compared with \$600 for Egypt generally.

Back in Cairo, Mr. Ghabbour is supporting his words with action. Within two years, he will have completed an 18-hole golf course and health-farm complex close to his existing Sonesta Cairo hotel, a Red Sea coast resort that includes a fivestar hotel, a marina in Luxor to service cruise boats and possibly a second golf

"Nothing can make us hesitate now," said Ghab-bour. "Within 10 years, Egypt will be a pearl of world tourism.

Pamela Dougherty





The Cairo International Convention Center (left) was the site of two recent United Nations conferences; a dive boat (right) cruises along the Sinal Peninsula.

SINAI PENINSULA: MUCH MORE THAN BEACHES

Between two gulfs lies a paradise of natural life on land and under water - plus water sports, historical monuments and a Bedouin desert.

At the southernmost tip of park came in 1983, just as The Gulf of Agaba contains the Sinai Peninsula sits the Ras Mohammad National Park. Flanked on the east by the Gulf of Agaba and on the west by the Gulf of Suez, its paths lead visitors to superb beaches, inlets and sea

Visitors are also welcome to explore the stunning coral reefs that border the park, but access is strictly controlled, and tourist developments can be established only outside its confines.

way of water sports. nly outside its confines. Central to all resorts are just plain swimming are all, The establishment of the snorkeling and scuba diving. of course, provided for.

Gulf of Agaba. It now offers the best hope of survival both for one of the world's brilliantly colored fish. premier coral reefs and for the vibrant tourist industry that it has inspired, for whatever else south Sinai has to offer, it is the clear, warm waters of the Gulf that bring surfing, waterskiing, day in the tourists. Hotels offer and night trips to the undereverything available in the

tourism development was a natural life that is as rich as getting under way along the a tropical rain forest, with 150 different species of coral and thousands of species of Many visitors choose the

area just for the diving, and numerous diving centers offer courses at all levels. At the same time, sailing, wind water observatory at Ras Muhammad, water polo and

is also being extended farther inland to protect a desert environment that is home to a very special Bedouin culture and to a natural life that includes desert foxes, hyenas, gazelles, and dozens of bird varieties, as well as

oases and historical sites. Horseback riding, safaris, camel rides and mangrove picnics have been added to traditional visits to St. Catherine's, a Christian monastery whose earliest

The Ras Muhammad park year 330 and which houses a rich collection of icons and precious manuscripts.

As the choice of activities expands, so do efforts to preserve the region. All guides and boats working in the Ras Muhammad area must be licensed, and environmentalists are now seeking similar controls for tour guides and

drivers. Environmentalisis also hope general standards will be developed to regulate the care of the environment.

P.D.

WOMEN HOLD POWER IN KEY PUBLIC POSITIONS

Government and academia benefit from the strong presence of women, in a tradition that is now entering its seventh decade.

In Parliament, in govern-ment ministries and in academia, Egypt's women are determined to lead their country into the 21st centu-Egypt's men take it.

They are the heirs of a solid tradition of women's involvement in public life. Egyptian women were active in the 1920s in the struggle both for national independence and for women's rights. The 1952 revolution encouraged women's education and participation in public life.

The results have been impressive. Today, over 50 University is made up of women, and Egypt's Petroleum Research Institute counts 88 women Ph.D.s on its staff. Minister of State for Scientific Research Venus Kamel Gouda has been known to roll up her sleeves and go out to offshore Gulf rigs in her work as a metal corrosion specialist.

In recent years, however, says economist Heba Handoussa, both fundamentalism and government-led economic restructuring have threatened to undermine the gains of the past 60 years. Managing director for the Cairo-based Economic Research Forum for the Arab

Countries, Iran and Turkev. Ms. Handoussa says that her own determination to work for women's rights has been sharpened by the growth of ry, not just to follow where fundamentalism. But, she added, it is government efforts to liberalize the Egyptian economy that have affected women most directly.

From 1975 to 1986, the public sector hired 130,000 graduates annually, 51 percent of whom were women. Now the number is down to 30,000 graduates. Nevertheless, there are some positive developments. Egyptian priority on health care, and population growth are both slowing. These changes benefit women in the long term. But poverty is affect-

Families have an improved attitude about sending their children to school. says Ms. Handoussa, but the poor have to choose between educating their children and sending them out to work. Figures show that fewer girls are going to primary school.

ing access to education.

Representing the other end of the education scale, Ms. Gouda says she was surprised by her appointment to the cabinet, and now she is determined to use her

Left to right: Mona Makram Obeid, Heba Handoessa and Venus Bainel Godden a Part Part

not proved what they can do. Now we need short-term, medium-term and long-term

in mind.

achieve. I want to prove that they are capable.' In her role as a Member of





position to promote Egypt's Parliament, Mona Makram has faced her own struggle economic development by maximizing the contribution families are placing a high of the country's scientific to the budget. community. "In Egypt, scistrategies to be incorporated into all domains." In the process, Ms. Gouda will of businesspeople, politikeep the progress of women

> "I believe a woman has to work much more to get her rights, to prove herself, and if there are two people for a the woman because she needs to be encouraged. Men still dominate women." she continues, "and often don't encourage them to

Obeid likes to tackle every-thing from foreign relations up in the kome of her uncle, to the budget.

Against tradition. She grew up in the kome of her uncle, to the budget.

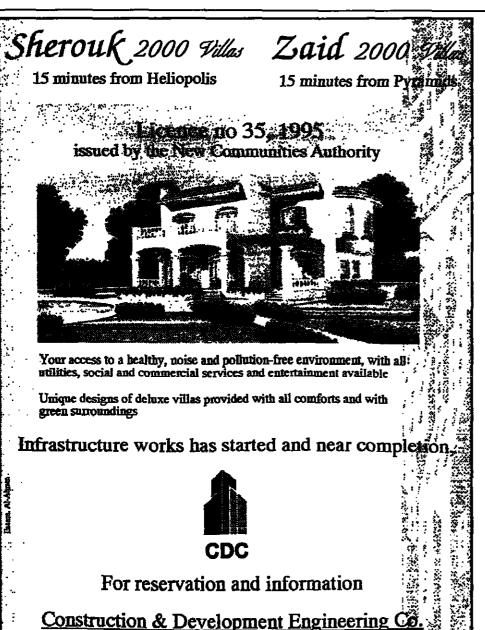
cians, artists and writers to set up a foundation that will support education in poor

She denies having a role as spokesperson for women job and they are equal I take within Parliament itself, but wants to continue. She is says, "I think I have a responsibility to sensitize the other members to gender issues such as structural ad- is determined to go on playjustment affect women ing her part in Egypt's pub-

In her career, Ms. Obeid

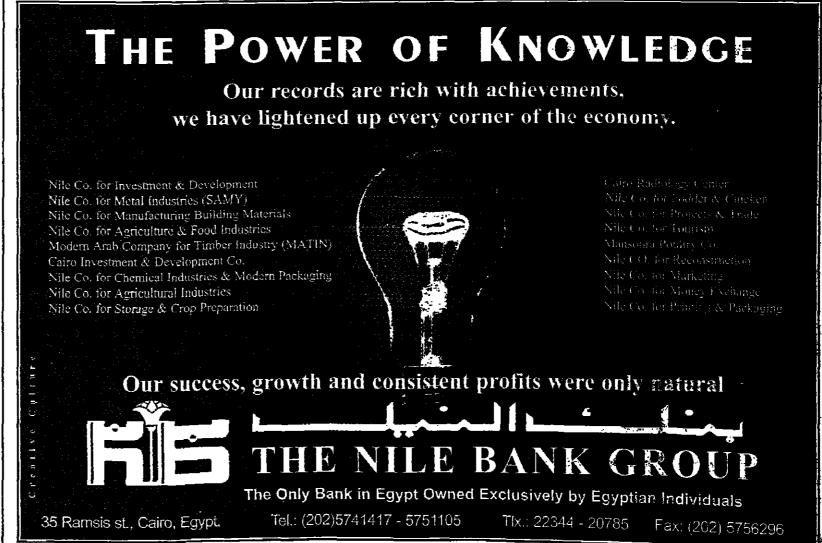
She is convinced that edural political figure-of the 1920s. solving many of Egypt's tention to follow in his footproblems, including those of steps, her family stresponse women's literacy and work- was, "We don't have have ing opportunities. She is women in politics. With the now working with a group support of an 83-year-old aunt, she persisted, ran for election twice and was finally appointed to her seat by Egyptian President Hosni Mubarak.

After five years in Partia ment, she loves the job and confident that Egypt is progressing against all the odds and like Venus Kamel Gousues, to show them how is- da and Heba Handoussa, she



affiliate to Dorra Group:

39 Kasr El Nil St., Cairo Egypt Tel: 3934602-3934328 Fax: 39214 Permanent showroom: 68 Merghani St., Heliopolis - Cairo Tel: 4182506



SPORTS

any. ZEDS ther difered hree that for timnent . ac-. 20

or to ayed ing," ioffi-Ho-Riga, that veral

<u>amali</u> nann

t by

E 7

10 To 10 To

The Associated Press

As he hobbled out of the Detroit locker room on crutches, Steve Yzerman injected a sense of concern into a Red Wings team that was celebrating a four-game sweep of the San Jose Sharks.

A 6-2 win Saturday night in San Jose, in which Vyachelsav Kozlov scored twice for the second straight game, sent the Red Wings into the Western Confer-

NHL PLAYOFFS

ence finals against the Chicago Blackhawks starting June 3. But Detroit does not know if its captain will be able to play in that series. Yzerman is scheduled to undergo an tests Sunday on his sprained right knee, which locked up in the second

period of the game Saturday. "We're concerned," said Detroit forward Bob Errey, who scored the Red Wings' fifth poal. "He anchors the power play, the penalty killing. He does it all. He leaves a big hole in the lineup. If you're going to win anything, you need Steve Yzerman out there."

Blackhawks 4, Canucks 3: Chris Chelios scored in overtime for the second straight game to give Chicago the comeback victory over Vancouver and a four-game sweep of the

Farmer Cooks

The second

Koreans

*** 12.33

- - -

411

40.14

20 Mg 20 Mg

1.00 er er er fatta

7: 7:2

Western Conference semifinals. Chicago's sweep eliminated last year's Stanley Cup finalists and marked the end of 25 seasons for the Canucks at the Pacific Coliseum. The Canucks will move into huxurious GM Place in downtown Vancouver in September.

Devils 2, Penguins 1: Neal Broten scored his second goal of the game with 1 minute, 24 seconds left in overtime to give New Jersey the home-ice win over Pittsburgh and a commanding 3-1 lead in the Eastern Conference semifinals.

Flyers 4, Rangers 1: Philadel phia, with two goals from de-ienseman Karl Dykhuis and another sharp performance from goaltender Ron Hextall, beat New York at Madison Square Garden to complete a four-game playoff sweep of the defending Stanley Cup champions.

Injury Mutes Pirates Can't Beat Red Wings' Rockies' Freeman

Mike Kingery and Vinny Castilia hit home runs and Marvin Freeman stayed undefeated in his career against Pittsburgh as the Colorado Rockies beat the Pirates, 6-3, Sunday to end a four-game losing streak.

Kingery led off the third inning in Pittsburgh with his third home run and Castilla's sixth followed Dante Bichette's single. Bichette also had an RBI single in the first against Rick

Freeman, who improved his career record against the Pirates to 4-0, had a career-high eight strikeouts in six innings as he dealt the Pirates their third loss in 11 games. Bruce Ruffin relieved with the bases loaded and none out in the ninth and picked up his seventh save. Giants 5, Mets 1: Matt Wil-

liams and Steve Scarsone hit two-run homers in the eighth inning in New York to lead San Francisco over the Giants. Barry Bonds broke a scoreless tie with a solo shot in the sixth. Mark Portugal allowed five hits in eighth innings, striking

out three and walking two. Padres 13, Phillies 5: San Diego rallied against Health-cliff Slocumb in the ninth inning and then tied the National League record for most runs in a 10th in a victory at Philadel-

The Padres sent 14 batters to the plate in the 10th and scored nine runs, matching the record set by Cincinnati against Philadelphia in 1947.

A bases-loaded single by Eddie Williams snapped a 4-4 tie, reliever Trevor Hoffman had a two-run double, Tony Gwynn drove in two runs with a single and Ken Caminiti and Melvin Nieves drove in one run each. Another run scored on a wild pitch.

In games Saturday: Reds 5, Cardinals 2: José Rijo pitched shutout ball for seven innings as the Reds extended their winning streak to six with

Expos 2, Dodgers 1: In Mon-treal, Carlos Perez pitched seven shutout innings for his fourth straight victory and Rondell White homered, lead-

Mets 6, Giants 3: Bret Saberhagen pitched the first complete game of the season for the Mets. who snapped a six-game losing streak with a win at home over the Giants.

Saberhagen, showing no signs of the shoulder suifness that forced him to leave his pre-

NL ROUNDUP

vious game May 19, gave up seven hits, struck out five and walked one.

Cubs 3, Martins 1: Howard Johnson, the first batter after a two-hour rain delay at Wrigley Field, hit a go-ahead sacrifice fly in the seventh inning as Chicago beat Florida.

Pirates 9, Rockies 4: In Pittsburgh, Denny Neagle won his fourth consecutive start and the Pirates scored eight runs in the third inning to beat Colorado. Phillies 5, Padres 4: Charlie

Hayes singled over a drawn-in outfield in the bottom of the 10th, driving in the winning run from third as the Phillies defeated visiting San Diego. Astros 3, Braves 2: James Mouton hit a solo homer in the

bottom of the 10th inning, giving Houston a victory at home that snapped its four-game los-

Griffey Breaks His Wrist Making Spectacular Catch

SEATTLE — Ken Griffey Jr., one of the best and most electifying players in baseball, won't be making any magical plays in the field or getting any clutch hits for at least three months.

The best player in the history of the Seattle Mariners was recovering from surgery Sunday after fracturing his left wrist when he crashed into the Kingdome wall while making a spectacular catch during Friday night's game against the Baltimore Orioles.

"I thought I had just jammed it pretty good at first," Griffey said. "Then I looked at it and I could tell it was broken."

It happened in the top of the seventh inning of a game the Mariners were leading, 4-3, and would win, 8-3. With one out, the Orioles' Kevin Bass hit a ball deep to right-center field off Seattle starter Randy Johnson, who was on the second-to-last batter of his 13-strikeout performance.

Griffey, racing back and to his left, made the catch just before he crashed into the wall at full speed.

He tried to get his right leg up to absorb the blow, but his left wrist hit first, bearing the brunt of the impact and getting

and a tough break for them. He is such a great athlete and an outstanding ballplayer."

attached to his left wrist. Larry Pedegana, the Mariners' team physician who assisted in the surgery, said he expected Griffey to make a full recovery. But he added that there was virtually no chance of

the Mariners, who were off to their best start in franchise history, at 15-12 with the victory on Friday. (AP, WP)

Pacers Have Magic Touch At Home Against Orlando

do seem so magical at home was Reggie Miller, who led the Pacnowhere to be found once Shaers with 26 points. "We did a quille O'Neal and his teammates stepped into noisy Market Square Arena.

O'Neal got in foul trouble and scored just 18 points. The dead-eye perimeter shooting of Dennis Scott and Nick Anderson failed them. Even the composure that helped them win the first two close games of the Eastern Conference final deserted the Magic on Saturday as they succumbed to the Indiana Pacers, 105-100.

The Pacers shut down the have lost seven straight.

"Any time Shaquille is on the floor for 30 minutes, we're in trouble," said Brian Hill, the Magic's coach.

After dominating the Pacers in the first two games with great shooting and strong performances from O'Neal, the Magic could rely on neither aspect of their game. Indiana defended the post and the perimeter better and grabbed 38 rebounds to

The Associated Press "We were playing their style Everything that made Orlan- in Game 1 and Game 2," said good job in the second half of getting to their shooters and keeping Shaq from getting down low."

After scoring 71 points on 70 percent shooting in the first two games, O'Neal was 8-for-15 from the field. He picked up his fourth foul early in the third

NBA PLAYOFFS

quarter and spent a lot more time on the bench than he's used to.

"I didn't even break a sweat." he said. "We bothered him a little

more," said forward Dale Davis, who along with Antonio Davis assumed the bulk of defensive duty when Rik Smits got into foul trouble. "We got him off the block some. That made it a little tougher on him, and we tried to double on him

The Magic still hit 13 3pointers, giving them 36 for the series, but their shooters sputtered in the fourth when Orlando missed 15 of 22 field goal

down the stretch and that was a big difference," Pacers coach Larry Brown said, "Our post defense was better today, and therefore our perimeter defense was better? The Pacers hit seven of eight

free throws in the last 30 seconds to seal the victory. Indiana had 41 free throw attempts, making 33. Spurs 107, Rockets 102: San

Antonio, their season in its death throes after two home losses to Houston, climbed back into the Western Conference finals Friday with a 107-102 road victory.

The Spurs snapped Houston's five-game playoff winning streak, but the Rockets still took a 2-1 lead in the best-of-7 series into Game 4 on Sunday.

Hakeem Olajuwon scored 43 points, but his supporting cast, so reliable in the first two games, failed as San Antonio rallied from 11 points down early in the third quarter, then broke away from an 89-89 tie over the final six minutes.

Avery Johnson, who had 20 points and 13 assists, made five of six free throws in the final 45 seconds to clinch the victory and assure a Game 5 on Tuesday in San Antonio.

"We were so much mere focused," said David Robinson, the Spurs center and the league's most-valuable player. Our defensive intensity was through the sky. The last couple of games we were disjointed." Robinson scored six of his 29

points during an 11-2 outburst that put the Spurs ahead, 100-91, with 2:05 to play. Vinny Del Negro, who scored just 12 points in the two previ-ous games, tied his career play-

off high with 19 for the Spurs, while Sean Elliott scored 21. "We're just trying to be aggressive," Del Negro said. "We got some easy baskets. We got more of our style of play. We hadn't been doing that. We got the ball out quick and we at-

Houston, only four in the second half, while Robert Horry added 18. Olajuwon had five

Soles
Div Yid 100s High Low Cise Choe

Magic in the fourth quarter and stuck between the pads in the outfield wall. He rolled over on can tie the best-of-7 series with to his back, flipped the ball out of his glove to right fielder another win Monday at Market Alex Diaz, then got up and began walking toward the dugout. "That's probably the greatest catch I've ever seen," Baltimore manager Phil Regan said. "It was a tremendous catch Square Arena, where the Magic

Griffey, a five-time All-Star and a five-time Gold Glove-winning center fielder at 25, underwent two hours of surgery Saturday morning to have a metal plate and five screws

speeding Griffey's rehabilitation. Griffey's injury could hardly have come at a worse time for

White Sox Win Record-Setting Slugfest in Detroit Parrish hit a three-run homer

The Chicago White Sox and is 24. Detroit Tigers set a major league record with 12 home American League record 21 extra-base hits Sanday in Chicago's 14-12 victory.

Cecil Fielder, Chad Curtis and Kirk Gibson each homered twice for the Tigers, while Ron Karkovice hit two for the White Sox. The four players with at least two homers set an AL record and tied the major league mark set in 1947 by Pittsburgh and St. Louis.

Ten of the home runs were solos, another major league record. Boston and Toronto held the previous mark with seven in 1977. The 21 extra-base hits broke the AL record of 19 set by ing the Expos past Los Angeles. Minnesota and Toronto in

Ray Durham broke an 11-11 runs and combined for an double off Mike Henneman in short of the franchise mark of the eighth inning. Durham went

AL ROUNDUP

4-for-5, including a homer, and

drove in four runs. Durham, Karkovice and Craig Grebeck consecutive homers for Chicago in the fourth inning. Frank Thomas also homered for the White Sox, while Lou Whitaker got the other homer for the Tigers.

Royals 7, Brewers 4: Wally Joyner hit a pair of RBI doubles as Kansas City handed Milwaukee a seventh straight home de-

dropped 11 of their last 14, haven't won at County Stadium tie in Detroit with a three-run since May 12. The skid is one eight straight home losses, set in The Royals rocked Brewers

ace Ricky Bones for six earned runs and 11 hits in seven in-Rangers 4, Twins 2: Rusty

Greer drove in three runs and Roger Pavlik pitched seven strong innings as Texas won its fourth straight game with a victory in Minneapolis. Pavlik, who retired the first 10 batters, allowed six hits,

struck out six and walked one

innings for his first save.

os's leaping attempt at a barehanded stop and rolled into center field. White Sox 1, Tigers 0: Jason Bere pitched eight innings for his first win of the season and Ron

hit bid in the sixth, Steve Onti-

complete a career-best one-hit-

Polonia's bouncer up the

New York.

beat the Tigers in Detroit. Bere cruised after getting out of a first-inning jam. He albefore being relieved in the eighth by Ed Vosberg. Roger McDowell pitched the final 1% lowed only three hits and walked six, two intentionally.

Blue Jays 3, Indians 0: Lance

Athletics 3, Yankees 0: After and Al Leiter pitched 745 score-Luis Polonia broke up his noless innings as Toronto, playing at home, handed Cleveland its veros went right back to work to first shutout of the season. Rangers 3, Twins 1: Kenny

ter as Oakland beat visiting Rogers extended his scoreless innings streak to 33, lowered his earned-run average to a major-league leading 1.42 and won his fifth straight game as Texas beat Minnesota in Minneapolis. middle barely cleared Ontiver-Red Sox 12, Angels 1: Tim

Wakefield allowed five hits in seven innings for his first major-league victory in 20 months as Boston beat California in Karkovice homered as Chicago Anaheim. Wakefield struck out four and walked two. Orioles 11, Mariners 4: Jeff

Manto hit a three-run homer and Cal Ripken Jr. went 4-for-5 as Baltimore beat the Mariners

Div Yild 1905 High Low Clse Char

Clyde Drexler scored 21 for

tacked the basket.

HASDAQ NATIONAL MARKET

STALL MARKET

| The property of the property o 是这个人,我们就是这一个人,我们就是这一个人,我们就是这一个人,我们就是这一个人,我们就是这一个

Soles
Div Yid 1903 High Low Case Choe Stocks Div Yid 1903 High Low Case Choe

TO WILL STREET OF THE STREET O

Soles Div Yld 100s High Low Clse Chge Stocks Soles Div Ytd 188s High Low Case Chge Slocks

| 1.00 | 1.02 | 1.03 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 | 1.04 |

19% 19% 5 5% 17% 18% 5% 5% 21 21 17% 18 10% 11%

By Christopher Clarey Special to the Herald Tribune

PARIS - Some little boys looking for tennis heros in the late 1970s preferred the fiery personality and flat strokes of Jimmy Connors: some the swarthy charm of Guillermo Vilas; others the brash attacking game of the young John McEnroe.

Sergi Bruguera, not yet 10 years old, cast his lot with Bjorn Borg. Bruguera admired the Swede's unflappable temperament and his patience and cunning from the baseline. Above all, he admired him because Borg was the person dominating the tournament that was on Bruguera's television

screen in late May and early June. Forget Borg's five consecutive Wimbleskinny only child of a tennis coach were father's golfing buddy, who won for Spain those six French Open titles on red clay.

father's golfing buddy, who won for Spain again in 1972. Most of all, there was Borg. including four straight from 1978 to 1981.

Clay, after all, was the only surface Bruguera grew up with: first in Valencia, where he lived on the grounds of the club run by his father. Luis; and then in Barcelona, where Luis returned in 1980. Clay crushed red brick, to be precise - was the substance that stained Sergi's shoes, climbed up his socks and got under his skin. And when, in his early teens, he made his first trip to Stade Roland Garros, he stood below the bullring-shaped Court 1 and stared up at the names of the former

champions etched into the cement. There was Manuel Santana, the first Spaniard to win the French, in 1961, and

"I was thinking I would like to have my name up there, too," Bruguera said.

He would get his wish, but despite two consecutive victories, he is still staring up at Borg. Nine men have won back-to-back French championships. Only Borg was able to push the envelope further.

For the next two weeks, it is Bruguera's turn to try. At age 24, he is certainly one of the favorites at the tournament French and Spaniards both refer to as "Roland Garros." The surprising thing is that he is not the favorite, but then Bruguera and circumstance have a way of conspiring to deflect attention in other directions.

Exuberant and friendly in private. Bru-

has learned to rein in a temper that caused him considerable trouble as a junior, and though he can be all Latin fire and brimstone on the practice court, he is more Swede than Spaniard in temperament once inside a stadium.

In 1993, when he won here the first time, the focus during the tournament was on world No. 1 Jim Courier, who looked certain to sweep to his third straight title. Bruguera snuffed out those hopes in a grueling and memorable five-set final in which he showed no signs of stage fright.

For Manuel Orantes, the former U.S. Open champion who is a close friend of the family, what separates Bruguera from the pack is his taste for risk: a trait that also

don victories on grass. What mattered to the skinny only child of a tennis coach were then in 1964. And Andres Gimeno, his skinny only child of a tennis coach were then in 1964. And Andres Gimeno, his father's golfing buddy, who won for Spain those six French Open titles on red clay again in 1972. Most of all them are Part to the state of th marlin fishing to bungee-cord jumping.

"He is not an orthodox guy who follows the rules; he likes to bend them." Orantes said. "Normally he will go for the most difficult and unexpected shot in the book, especially in a very tight position on passing shots."

But despite that talent, despite his heavy forehand, improving serve and remarkable capacity to cover court. Bruguera remains less than the talk of the town in the city of light and obnoxious drivers. A year ago, he arrived seeded sixth, having not won a tournament all spring, and quietly went to work as the tennis community focused on Pete Sampras. Bruguera ended up losing one set in seven matches.

missed nearly two months with a sprained left knee. Again the focus is elsewhere: on Andre Agassi and on Thomas Muster, who has yet to lose on clay this season.

Politice W

But Agassi, wiped out by Bruguera in Hamburg earlier this month, and every other player in the draw are well aware that the Spaniard is gathering strength. In his last three tournaments, he reached the quarterfinals, the semifinals and then, in Rome two weeks ago, the final. His knee is bothering him little and his confidence, never his soft spot on clay, is growing.

"My preparation is completely different this year because of the injury," he said. But I think I'm much better off than I thought I would be at this point." Borg is waiting.

SCOREBOARD

The

CUE

poj vir

wit

Įts

bes

citi

Αlε

the wh

po Ot

on the

hei

an

th

 \mathbf{A}

d٢٠

hэ

- 20 - 20

3.6 x² - 22 - 78 0 1.1 8 31 3.6 - 2 - 3 3.2 5

.24 1 0 1 _ 5e

15e i.i 2 20 26 i

20 1.1

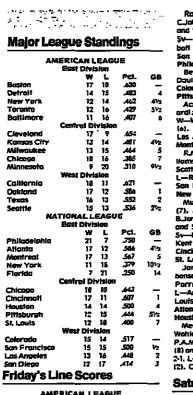
04e J 36 20 32 19

100 e a.ā ឆា រៀ

±0 2[°]2

.32 1.9

88 23 1.32 4.4



AMERICAN LEAGUE
Texes 301 011 000-6 12 2
Alinesoto 902 200 010-5 13 1
Tewksbury, McDowell (7), Russell (9) and
LRodriguez: Toponi, Stevens (6) and Wolbeck, W—Tewksbury, J-1. 1—Toponi, 2-3.
Sv—Russell (5), HRs—Texas, W.Clark (5),
Tekliston (7)

Tetileton (7).

Chicago 219 201 010—7 12 0

Dehrolt 004 902 002—5 11 J

J.Abbott, DeLeon (3), McCoskill (a), Fortugno (7), R.Hernandez (9) and Lavaillere.

Karkevice (3); Bergman, Groom (4), Maxev (8) and Flaherty, W.—Maxey, 1-0. L.—R.Hernandez (4), McCoskill (b), McCoskill (b), McCoskill (b), McCoskill (b), McCoskill (c), McCoskill (nandez, 0-2, HRS—Chicago, Raines (61, De-trait, Samuel (2), KGibson (6).

registeer, Foote (a), Toyofe (a), most (y) and Foote, Filmlin (9) and Knorr.
W—Hershiser, 3-1. L—Hentger, 3-2. Sv—Mesa (7), HRs—Toronto, Green (4), Cleveland, Vizquel (3), Ramírez 2 (11), Sorrento 2 (10), Kansas City 218 009 506—8 11 a
Milwankee 910 000 020—3 12 a quel (3), Ramírez 2 (11), Sorrento 2 (10).
Kansas City 210 006 506—8 11 a
Alliwauska 610 000 020—3 12 a
Appler, Brewer (7), Linton (8), Meacham
(8) and Mavne; Sconlan, Klefer (7), Wegman
(8) and Oliver. W—Appler, 6-1. L—Sconlan, 1-

New York 201 090 000—3 4 1 hokkland 000 200 29x—4 3 ! Hilchcock and Levritz; Stottlermyre, Leiber

Hanson, Cormier (7), Belinda (9) and Mac-fariane: Sanderson, Mi, Williams (6), Butcher (6), B.Patlerson (8), Edenfield (9) and Myers,

McDonoid, Mayer (a), Ooulst (7), Crosco), Pennington (8) and Holles; Rudmingon (8) and Holles; Rudmingon (9), Frey (7), Fleming (8) and Policy (1), W-Rudming (1), Proceedings
Les Angeles 000 100 300-4 11 0
Maintreal 040 650 60x-9 0 0
R.Martinez, Hansell (5). Eischen (6), T.Williams (8) and Prince: Heredia, Aguino (7),
Scatt (9) and Laker. W-Heredia, 2-3.
L-R.Marlinez, 4-3. Sv-Scott (1).
San Francisco 000 102 102-6 11 0
New York 111 100 000-4 13 3
Mulholland, Hook (5). Barton (6), Dewey
(7). Beck (9) and Marmarins. Reed (6);
B.Jones, Henry (9), Gunderson (9), DiPalo (9)
and Stinnett, W-Dewey, I-0. L-Henry, I-3.
Sv-Beck (6). HR-New Yark. Cr.Jones (1).
Kent (3).

and Sfirmert, W—Devey, 15th Land 1997.

St—Sect (6), HR—New York, Cr. Jones 111.

Kent (3).

Cincincati 069 601 308—4 11 0

St. Looks 002 100 606—2 12 1

Jarvis-McRiroy (7), Carrosco (7) and Youbansee: Petkovsek, Aracha (7). Fossas (8).

Porrett (9) and Pognozzi, W—Jarvis, 2-2

L—Aracha, 3-3, Sy—Carrosco (3), HRS—51.

L—Arocha, 3-3. Sv—Carrasco (3). HRs—St.
Louis, Cromer (3).
Attestia 150 101 900—8 12 2
Houston 010 920 992—3 7 1
Mercker, Bedroslan (6). McMichael (8).
Wohlers (9) and Lonez; Swindell, D. Veres (7),
P.A.Mortinez (5), Dougherty (7), Hartgraves
(8) and Servols and Eusebio (9). W—Mercker,
2-1, L—Swindell, 3-2. HRs—Atlanta, Grizsom
(2), Cp. Jones (7), McKelly (2).

Saturday's Line Scores

AMERICAN LEAGUE

Chicago 808 818 909—1 6 0

Defroit 900 808 908—4 3 8

Bere. R.Hernandez (9) and Tingley; Lira,
Bohanon (6), A.a.r.v. (6), Beever (7) and Karkovice, W—Bere, 1-1, L—Lira, 0-1, Sv—R.Hernandez (7), HR—Chicago, Karkovice (3).

696 666 000 000-6 1 1 Rosers, Whitesiae (3), Burrows (9), Russeli | Roders Whitestate (3) Surraws (1), Russell (4) and 1. Roderspace: Guardado. Schullstrom (8), Robertson (8) and Walbeck W.—Rosers. 5-2. L.—Guardado 0-1. Sv—Russell (6). Beston 200 256 029—12 13 0 California 109 000 000—1 5 1

NATIONAL LEAGUE
Son Francisco 900 000 023—3 7 0
New York 203 000 01x—6 19 1
Boulista, Mintz (3), Burbo (8) and Lampkin: Saberhobaen and Stimett, W—Scherhogen, I-1, L—Boutista, 0-2 HRS—New York,
Banilla (3), Kent (4), San Francisco, Hill (7),
Loa Angeles 000 320 021—1 10 0
Montreal 000 100 10x—2 5 2

Montreal 900 100 10x-2 5 2 — San Anton Valdes, Seanez (7), T.Williams 17) and Prince: Perez, Rolas (8) and Laker. W—Perez 4-0, L.-Valdes, 0-2, Sv—Rolas (9), HR—Montreal, R.White (4).
Florida 100 000 000-1 5 8 ORLANDO Calcago 900 001 11x-3 5 2 Burkett, R.Veres (7), Gordner (8), Y.Perez (8) and C.Johnson, Decker (8): Navarro, Wender (Contrage)

W—Neagle, 4-1, L—Swiff; 1-1, San Diego 80 016 210 0—4 11 8
Philadelphia 210 100 808 1—5 11 0
(19 Instead)
Valenquela, B.Williams (5), Berumen (6), Hermanson (10) and B.Jehnson, Ausmus (8); Mit.Williams, Ge.Harris (7), Charlion (7), Barland (7), Abbott (8) and Webster, W—Abbott, 2-0, L—Hermanson, 3-1, HRS—San Diego, B.Jehnson (2), Livingstone (1), Cincinneti 903 100 818—5 19 9
St. Louis 908 600 602—2 9 9
Rijo, J.Brantiey (8) and Taylensee; Poio-

B-Johnson (2), Livingstone (1).
Cinchanati 903 108 818—5 19 9
St. Louis 908 608 602—2 9 9
Rillo, J.Brantiley (8) and Toubensee: Polocios, DeLucia (5), Habvan (8), Parrett (8) and
Pognazzi, W—Rillo, 3-2, L—Pafacias, 1-2.
Atlanta 018 180 900 9—2 6 1
Houston 900 901 019 1—3 10 6
(18 immings)
Smoltz, Wohlers (9), Stanton (10) and J.Lopez: Drobek, To.Jones (8), Hudek (10) and
Servols, Euseblo (10), W—Hudek, 2-0,
L—Stanton, 1-1, HR—Houston, Mouton (2).

Japanese Leagues

Saturday's Results Chunichi 7, Yokult 2

Seibu 5. Orix 2 Dalei 4. Kintetsu 1, 10 ir Nippon Hom 1. Lotte 0

NBA Playoffs

California 169 000 000—1 5 1
Wakefield, Lilliauist (8), K.Rvan (9) and
Macfortone, Rowland (3): Bletecki, M.Williams (6), Edenfield (9) and Allanson W—Wakefield, 1-0, L—Biefecki, 2-1, HRS—Basian,
M.Vaughn (12), Alicea (2).

Baltimore 201 002 510—11 6 1 1-21, Robinson 10-15-9-9-9, Det Negro 7-14-2-2
Seattle 110 020 000—4 7 0 19, Johnson 6-14-8-12, Robinson 10-15-9-9-9, Det Negro 7-14-2-2
S.Fermandez, Mulis (5), D.Jones (5) and
Halles, Wells, Fleming (6), Marikkola (a) and
D.Wilson, W—Allis, 3-0, L—Wells, 1-3,
HR—Baltimore, Manto (3).

HR—Baltimore, Manto (3).
San Francisco 000 000 003—3 7 0 00-00, Brown 1-2-0-0 2 Tarlais 39-00 11-11 (nees-0-4-8 1-113, Elle 2-59-05, Cassell 0-4 1-1 1, Jones 00 0-0 0. Brown 1-2 0-0 2. Traicis 3-9-8 11-13 102.
3-Point sects—San Antonio 9-19 (Ellioti 3-5.
Person 3-b. Del Negro 3-7, Cummings 0-11.
Houston 13-29 (Smith 4-5. Horry 4-9, Dreuter 310, Olaiuwon 1-1. Elle 1-2, Casseli 0-2). Fouled out—Horry. Rebounds—San Antonio 51 (Rodman 14). Houston 17 (Olaiuwon 11). Austists
2—San Antonio 25 (Johnson 13). Houston 25 (Dreuter 6), Tutal fouls—San Antonio 15. Houston 26. Technicals—Rodman San Antonio 18. Houston 26. Technicals—Rodman San Antonio 18.
Grand Gétense, Houston cooch Tomianovich.
Safurday's Result
ORLANDO 23 33 24 28—100
INDIANA 29 26 27 23—105
(Ortando leads series 2-1)

The state of the s

CONFERENCE SEMIFINALS

Philadelphia 2 2 9-4
N.Y. RANGERS 6 1 8-1
(Philodelphia wins series 4-0)
First Period-1, Philodelphia, Dykhuls 3
(OMolo, Dineen), 12:37, 2 Philodelphia, Dyk

Colimolo, Dineen), 12:37, 2 Philiodelphila, Dykhols 3 (DiMolo, Dineen), 12:37, 2 Philiodelphila, Dykhols 4, 17:08 (pp.). Penelities—Kovolev, NY (hooking), 35; Svaboda, Phil (hooking), 34:10; Noonan, NY (roughing), 14:10; Noonan, NY (roughing), 14

NEW JERSEY 10 8 1 1-2
(New Jersey leads series 3-1)
First Period—None. Penalties—Poiston,
NJ, double minor (high-sticking), :21; Murroy, Pit (slashing), 6:01.
Second Period—None. Penalties—K.Sievens, Pit (Interference), 5: 16; Driver, NJ (interference), 9: 30; Mort son, NJ (high-sticknce). 9:30; MocLean, NJ (high-stick

ing), 16:14.
Third Period—1, New Jersey, Broten :
(MacLean), :40, 2, Pitisburgh, Francis (
Jogr. K.Stevens), 8:57, Penalties—Marray Plt (interference), 6:39; Tamer, Pit (rough Pit (interference), 6:39; Tamer, Pit (rough-ing), 6:39; Guerin, NJ (raughing), 6:39; K.Sie-vens, Pit (roughing), 18:48; S.Sievens, NJ (raughing), 18:48. Overtime—J. New Jersey, Broten J (Mac-Lean), 18:36. Peaalites—Robitalle, Pit (un-sportsmantike canduct), 14:27; Guerin, NJ

Sportsmantike conduct), 14:27; Guerin, 14; (unsportsmanlike conduct), 14:27; Shots on goal—Pittsburgh 6-7-12-8—31. New Jersey 10-13-15-13—51. Power-play Opportuni-fles—Pittsburgh 0 of 4; New Jersey 0 of 3. Goolles—Pittsburgh Wrespel 5-5 (5) shots-49 soves). New Jersey. Bradter 7-2 (33-32).

VANCOUVER

(Chicopo wint series 4-0)

First Period--None, Penatries--Peca, Van (high-sticking), 146; Bure, Van (cross-checking), 4:39; Russell, Chi (high-sticking), 7:39;

Momesso. Van (Inferference), 9:03: Roenick, Chi (holding the stick), 10:37; Murzyn. Van (rugshing), 10:37; Momesso. Van (sloshing), 11:37; Diduck, Chi (high-sticking), 14:08: G.Courtholl, Van (Interference), 14:44; Odilck, Van (Interference), 19:09; Second Perfold—I, Vancouver, 14:44; Odilck, Van (Interference), 19:09; Second Perfold—I, Vancouver, Ocsiuta (Gelinos, Peca), 4:01, 2, Chicago, Craven 5 (Michalle, Smith), 4:13, 3, Vancouver, Ossiuta 2 (Lumme), 77:29, 5, Chicago, Diduck 1 (Savard, Sutter), 19:12, Penalties—Ocza, Chi (holding), 9:02; Bure, Van (high-sticking), 13:44; Murshy, Chi (Interference), 14:14, Third Perfold—6, Chicago, Roenick 1 (Russell, Amonte), 10:39, Penalty—Lumme, Van

(Coffey, Federor), 14:39 (pp), Penatites— —Denovan, SJ (holding), 5:09; Burr, Del (hooking), 7:36; Keziov, Del (hooking), 9:55; fracili, S.I (interference), 13:13; Grimson.

Third Period—6, Detroit, McCarty 3, (Oraper, Burr), 7:44. Penatries—None.
Shots on goal—Detroit 13-12-7—32. San Jose

ARABELLA

GRAND HOTEL

THE

GRAND HOTEL

OF OUR TIME

"Summer Special"

double DM 285,

incl. buffet breakfast

and free use of health club

Call your travel agent

or: ++69 - 29 81 750

21 is; y, Universe kinds, Gewiss Bellon, S.L. Overall Standings: 1, Rominger & hours, 18 minutes, 8 seconds; 2, Usrumov, 3:14 behind; 1, Berzin, 3:27; 4, Chiloppucci, 5:25; 5, Rincon 6:13; 6, Imboden 7:15; 7, Yofschnig, 7:38; 8, Tonkov, 8:04; 9, Zohna, 8:59; 10, Froncesco Casagrande, Haly, Mercatane Una, 9:34.

BOLOGNA OPEN

Occarterizada

Occarterizada

Marcelo Rios, Chile, del. Gibbet Scholler

(1), Austria, 6-1, 3-6-6-22 Joviet Sanchez. (4)

Spain, def. Jerdi Burillo, Spain, 6-4, 6-4.

Marcelo Filipphil, Uruguevy def. Slave Dosedel (7), Caech Resublic, 6-4, 7-6 (7-2); Mark

Philippoussis, Austrolia, def. Karim Alami,

Marcelo T-4, (8-7), 3-4, 6-2. Maracca, 7-6 (9-7), 3-6, 6-2

Filippini det, Sanchez, 7-6 (7-5), 2-6, 6-4; Rios

def. Philippoussis. 6-4, 7-6 (8-6).
Finad
Marcelo Rias def. Marcelo Filippini, 6-2,6-4.
STRASBOURG OPEN
Quarterfinals
Lindsoy Davenport (1), U.S. det. Judith
Wierser (6), Austria, 2-6, 6-4, 7-5; Sandrine
Testud. France def. Stephanie Rottier, Meitheriands, 6-4, 4-6-1.
Santificals

Semmons
Semmons
Kimiko Date (2), Japan, def. Yone Komio,
Japan, 6-4,6-2; Davenport def. Testud, 6-1, 6-4,
Final
Davenport def. Date, 3-6, 6-1, 6-2

THIRD ONE DAY INTERNATIONAL England vs. West Indies
Sundoy, in Landon
England Innings: 276-7 (55 overs)
West Indies Innings: 203 (42 overs).
Result: England won by 73 runs.

Result: England won by A England wins series 2-1.

SATURDAY'S WLAF RESULT

FRENCH FIRST DIVISION Montpeller 0, Rentes 1 Soint-Etienne 3, Nice 3 Bordeaux 3, Paris 5G 0 Le Havre & Litte 1

Standless: Nantes 78 points. Lyon 68, Parts-St. Germain 66, Auxerre 59, Lens 59, Manaca 57, Bordeaux 54, Connes 53, Metz 52, Stras-47. Lille 45. Nice 43. Montpellier 41, Bastia 41. Saint-Etienne 37, Coen 33. Sochaux 23. ITALIAN FIRST DIVISION

Brescio 1, Cremones Cogilari & Napoli 1 oma 2 Juventus 0 impoorta 2, Inter 2

Fax: ++69 - 29 81 811 Konrad-Adenauer-Str. 7 Standings: Juventus 70 points, Parma 63, Lazio 68, Milan 57, Roma 56, Infernazionale 47, Çosilari 49, Napoli 45, Sampdoria 47, Fioren-D-60313 Frankfurt

va 40, Genoa 37, Faggia 33, Reggiana 17, Brescio 12 DUTCH FIRST DIVISION Alox Amsterdam J. Twente Enschede Rode JC Kerkrude S. Feyenpord Rotterda

Rode JC Kerkrade S, Feyenpord Rotterdom of Dordrecht '90 S. Votendom 1
Sports Rotterdom 2, MVV Moostricht 2
PSV Eindhoven 2, NAC Brede 4
NEC Nilmesen 2, Groningen 1
GA Engles Deventer 2, Utrecht 4
Heertenveen 1, Willem 11 Tilburs 0
Vitesse Armhem 1, RKC Wootwilk 1
Standings: Alox Amsterdom 41 points, Rode JC Kerkrade 54, PSV Eindhoven 47, Feyenpond Rotterdom 45, Twente Enschede 42, Vitesse Armhem 46, Willem 11 Tilburg 34, RKC Wootwilk 32, Heertenven 30, NAC Brede 29, Volendom 29, Utrecht 27, Groningen 26, Sports Rotterdom 26, NEC Milmesen 25, MVV Mooshricht 23, Go Alheid Engles Deventer '23, Dordrecht '90 20.

GERMAN BUNDESLIGA GERMAN BUNDESLIGA
FC Kolserskutern 4, Homburg SV 1
1869 Munich 2, FC Colome 1
Scholke 4, Werder Bremen 2
Boyer Leverkusen 2, Boyern Munich 0
Einfrucht Frankfurt 4, MSV Dulsburg 1
VfB Stuttgart 1, SC Freiburg 0
Boyer Uerdingen 2, VfL Bochum 1
Korlsruher SC 5, Dyname Driesden 3
Standings: Werder Bremen 46 points, Borussid Dortmund 44, SC Freiburg 42, FC Kolserskutern 42, Moenchensladboch 46, Bayern

ern.42. Moenchensladbo Sersicutern 2. Moenchensicotoco 44. Boyrum Munich 39. Kortsruher SC 33. Boyrum Munich 39. Kortsruher SC 33. Boyrum Frankhart 31. VIII Statisort 28. Hamburs SV 27. 1469 Munich 27. Boyru Verdinger 22. MSV Dutsburg 20. VIII. Bochum 19. Dynamo Dres-SPANISH FIRST DIVISION

Arterico Modrid 3, Espanyol 1
Real Zaragezo 5, Compostella 3
Volladolid 2, Legranes 1
Sevilla 2 vs. Celta 3
Barcelona 1, Real Modrid 0
Deportivo 2, Bells 0
Outerla 1, Abroche 1 Deporting 2, Belts 0
Ovledo 1, Albocate 3
Valencia 1, Rocing Santander 1
Temerite 3, Sporting Gilon 0
Real Sociedad 5, Affitetic Bilboo 0

Cettic 1, Airdrie 0 BELGIAN CUP Fine

Club Brugge 1, Ekeren 1 KIRIN CUP Jopan 3. Ecuador 0

AUTO RACING

MONACO GRAND PRIX Final leading placiness Sunday for the Mo-nace Grand Prist 78 leas on the 1328-billional for (2008-mile) street circuit, a total of 257-504 Lilometers (161,234 miles) with driver, comkiloselers (161,296 miles) with driver, cou-try, cay, witner's line one overupe speed-1, Alchoel Schumocher, Germany, Benet-tor-Rencuit, I hour, 33 minutes, 11,25 seconds 137,401 (ab) (85.52 mphl); 2, Domon Hill, Brit-oln, Williams-Rencuit, 34,877 seconds behind; 3, Gertard Berger, Austria, Ferrari, 1:11,447; 4, Johnny Herbert, Britain, Benetian-Resoult, 77 loss completed; 5, Mork Blandell, Britain, McL. cre-Abercades, 77;

McLare-Mercades. 77; 6. Heinz-Harald Frentzen, Germany, Sauber-Ford. 76; 7, Pierwigi Martiol, Italy, Solber-Fort. As: 1. Ferrying mortus; non; Athardt-Ford, As: 8. Jean-Christophe Boul-ilan, France, Souber-Ford, 76; 9. Glanei Mar-bideth, Italy, Featherk-Hart, 74; 10. Pedra Poulo Disit, Brasil, Fort-Ford, 72. Drivers' Champineshie Standage: 1. Mi-

Gerbord Berger 17: 4. Jean Alesi, Franca, Ferruri 14: 5. Johnny Herbert 12: 6. Dovid Coulinard, Britain, Williams, 9: 7. Millia Hok-kinen. Fintand, McLaren 5: 8. Heinz-Harnid Frentzen 4: 9. Mark Blandell 3: 10. Eddle Irvine, Britain, Jordan, 2.

TRANSITIONS

BASEBALL

outlielder, from the 15-day disabled list, Re-called Jeffrey Hammoods, cafficider, from Bowle, EL. Orlianed Arthur Rhodes, either, and Shermon Obanda, autlielder, in Raches-BOSTON-Optioned Ron Michov. putfleid

disobled list.

CLEVELAND—Optioned Mark Clork, plicher, to Buffalo. AA Recoiled Chad Open. picher, from Buffalo.

DETROUT—Recoiled Brian Mancy. philiper, from Toledo. IL. Sent Rudy Pemberic. outfielder, outfield to Toledo.

SEATTLE—Optioned Tim Dovb, plicher, io Tocomo. PCL. Recoiled Tim Haritania, plicher, from Tocomo.

POUTBALL.

National Pootbal League

MEW ENGLAND—Resigned Tray Breen.

National Pootball League
NEW ENGLAND—Re-Signed Tray Brown
and Ray Critisaden, wide receivers.
MOCKEY
National Noches

Notional Hocker League
BOSTON—Named Stave Kasper couch,
EDMONTON Named Peter Mahavijch scout.
FLORIDA—Signer Kevin Weekss. Bool-lender, and Chad Cabana. left wins, to mul-tivear contracts.
LOS ANGELES—Signed Daniel Rydenark,

center, to a two-year contract. ST. LOUIS-Announced a 5-year attition unt with Worcester IceCats, AHL QUEBEC-Amounted by Yourship has been purchased by COASAT Video Enter-prises and will be moved to Desver.

COLLEGE
ARIZONA—Named Jim Wing assistant

ARIZONA—Retried Jim West category besetoil cooch DUKE—Announced T.C. White, roming bock, has been declared academically ineligible and will not play this tall. FLORIDA—Announced Jason Anderson, guard, has been dismissed from the basket-ball from for disciplinary reasons. FRESNO STATE-Announced Chris Her-

on College.

MICHIGAN STATE—Named Merritt Norveil athletic director. NW LOUISIANA—Amounced the resigna-tion of Tynes Hildebrand, athletic director, effective June 1916, Named J.D. Borneti asso-

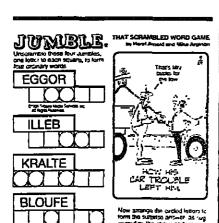
citate citaletic director.
TULSA—Named Steve Robinson men's basketball coach.
WASHINGTON ST.—Stened Mike Price. WESTERN CAROLINA—Benny Des. mer's basismost cooch, resigned. WISCORSI-INGREEN BAY—Normed Mike Heideman men's assistent basistatoli coacii.

> Section of a property of TO OUR **READERS**

been easier to subscribe and save. Just call toll-free: 0 800 89 5965

DENNIS THE MENACE





Education Directory

Saturdays Jameses FATAL TYNING PARDON LAVISH

Every Tuesday Contact Kimberly Guerrand-Betrancourt Tel.: {33 1} 41 43 94 76 Fax: {33 1} 41 43 93 70 or your nearest IHT office or representative

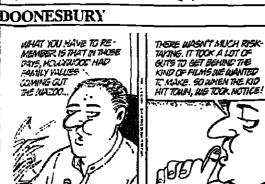
















נבטטו - טטטבבסו ן ווומותפטווש טכףבן









WIZARD of ID







THE FAR SIDE





MONDAY, MAY 29, 1995

ther dif-

nent

t by

ayed ing," ioffi-

In Sunday's warmup he post-

ed the fastest times in his own

car. But his race in that car

lasted less than 10 seconds as he

attempted to go inside Coulth-

ard in the race to the first curve.

Coulthard's backup lasted 17

lans before he went out with a

broken gearbox while in third

The next race is the Canadian

Grand Prix on June 11.

Villeneuve

Takes Flag

At Indy 500

INDIANAPOLIS - Jacques

In a wild finish, Villeneuve

Goodyear was penalized with

10 laps to go for passing the

in the brisk wind, Goodyear re-

fused to come off the track.

Even as Villeneuve guzzled milk

in Victory Lane, Goodyear

would not concede he had lost.

come down pit lane and get flagged down past victory cir-

body in the world knows who

the winner that everybody will

know about is Villeneuve, son

of the late Formula One star

Villeneuve, 24, is the youn-

est driver to win the race since

Troy Ruttman in 1952. He was

penalized two laps early in the

race, also for allegedly passing the pace car under a yellow flag.

to the finish was unfolding as

the pace car led Goodyear and

second-place Villeneuve

through turn three on lap 189.

getting ready to let them get

It appeared that a great battle

Gilles Villeneuve.

'It's quite disappointing to

Goodyear said. "Every-

With the black flag flapping

pace car on the last restart.

And the Welsh Leak

By Ian Thomsen International Herald Tribune

BLOEMFONTEIN, South Africa — The score was 57-10. Over the last four years the Japanese had been able to convince themselves that they had overcome their shortcomings and their tragedies. They had very little going for them in this game, but they were going to do what they could and do it better them the beauty and the beauty and the state of the state o than the bigger and stronger teams with more experience.

There was talk of how the high, thin air and the hard South African grounds would help the quicker team. At the very least, they were not going to be overmatched any longer. Then, on Saturday, it was Wales 57, Japan 10.

"Probably what misled us from the beginning was our win against Romania," said Shiggy Konno, the wise man of Japanese rugby, noting his team's 34-21 victory over Romania before the World Cup. "After that game we thought we had some chances. Yes, we are disappointed, but there are two

Those two, against Ireland and New Zealand, figure to be even harder. They believed they could upend Wales, which was riviled in the Fire Nations winless in the Five Nations Championship and had changed management just two months ago with no warmup matches before this tournament. The Japanese should not be criticized for their assumptions. The disaster of the outcome is, in fact, proof of their

The leading club in Japanese rugby for the last seven years has been Kobe Steel. It is the home club for all but two of the Japanese backs. Last year, neighbors and friends ran to the home of the Japanese vice cap-tain, fly-half Seiji Hirao, to pull his wife from the rubble of the earthquake that killed 5,000 people and left 300,000 more homeless. None of the players or their families were injured, but that didn't absolve them of

"The disaster of the earthquake was much bigger than if *** to woo looked at it on TV," Konno said. "If you would go to see it yourself, you would be surprised. It did affect our team somewhat. The Kobe Steel ground was in shambles and

for practice." He turned and spoke momentarily to Hirao in Japanese. "They still can't use their ground," Konno said. "There was a lot of damage to the dor-mitories. Many of the players' relatives needed assistance. It was quite an emotional thing in a way that perhaps doesn't show up on TV or in the news-

And yet it was not the ready excuse that it would have been, and rightly so, for so many other teams or countries. Neither is it true that the players are so celebrated and rich as to be ushered away from such trauma. The game has only just begun to attract major sponsors in Ja-pan. The rugby players are gen-erally not idois. They can't practice whenever they want, having to share most of the playing fields with teams in other sports. Professional baseball

larity after rugby had lain dor-mant during World War II. The larger Japanese athletes, the ones who would have helped against Wales, are lured by the money and prestige of sumo wrestling; no doubt basketball

is growing in eminence. Rugby is based largely in the universities, where it is played in the original, amateur spirit. It was introduced by the British more than a century ago. Even now, at the height of Japan's economic power, the modern realities of travel are unkind: The country is out of the way for teams touring Australia or

So the players are too small, the country is isolated geographically and lacking in facil-ities, the earthquake decimated the sport's nerve center . . . and still the Japanese believed they could win. In the meantime, Wales was sending out its big-

gest, strongest team.

The Welsh were piercing the right flank from the opening minutes. It was 3-0, 6-0; the Japanese kicker Terunori Masuho, from Kobe, was missing two penalties of his own. 9-0. A loose ball that the 1.58-meter scrumhalf Masami Horikoshi failed to kick out of touch, and Andy Moore fell on it for the first try: 16-0. Moore's strength and power had won him selection ahead of the world-renowned scrumhalf Robert

There would be four more Welsh tries before the Japanese could respond. They were dying in the lineouts, which were scized by Wales' tallest player ever, the 2.12-meter Derwyn Jones, a policeman. The tallest e was the 1.93-meter lock Bruce Ferguson, who was

recruited from Fiji. "In set play we won 20 lineouts, they won 13, so we're ahead already," said the sympathetic Wales coach, Alex Evans, who had worked as a consultant for Kobe Steel as recently as 1992. "Then Japan tried to run the ball, and certainly with ball in hand they were very good, but they also turned the ball over quite a bit, which gave us

the advantage in the scrum, the advantage in set plays — it was like they were behind all the time, trying to play catch-up rugby. It would be 36-0 at the half. It

than a quarter remaining, the crowd of more than 20,000 would light up for the first time. Lopeti Oto, one of the team's three large Tongans, flopped over with the first try for Japan. He scored one more, on the

final play. The crowd made a happy, Charlie Chaplin roar and got up to leave. The Welsh, buoyed by such easy success, immediately began talking about upsetting New Zealand on Wednesday. They congratu-lated 20-year-old Gareth Thomas, scorer of three tries in what was his - as well as Moore's — first international. The Japanese, meanwhile, glanced back at the scoreboard as if it were their own wrecked

Konno thought about all of this and said, "I think we did do better in the second half." After all, there are two games

Japan: Inflated Hope Schumacher Easily Wins Again, With Hill 2d in Monaco



David Confinant's Williams-Renault took flight from a first-turn crash with the Ferraris of Jean Alesi and Gerhard Berger.

The second second second second second

World Cup Standings

SATURDAY'S RESULTS blond 43, ireland 19

ige: Tries: Patricio Noriega (54th),

Jenkins (3rd. 17th, 23rd, 25th). Com

Western Samoa vs. Argentina, 1830 GMT South Africa vs. Romania, 1230 GMT

World Cup Notebook: Danaher Replacing Staples for Irish

Langer Tied For Lead in **British PGA**

WENTWORTH, England -Bernhard Langer bogeyed the last hole Sunday after a wild second shot and dropped back into a share of the third-round lead in the British PGA Cham-

pionship. Sunday. His 4-under-par 68 on Wentworth's West Course left him tied with Mark Mouland of Wales heading into Monday's final round. Mouland carded a day's-best 65 to match Langer

Per-Ulrik Johansson of Sweden stormed into contention with birdies on the last four holes for a 69 that put him at

209 and tied with Andrew Sherborne of England, who shot 72. Nick Faldo and José Mariá Canizares, playing partners for the day, were on 6 under after

Langer, who set a record on Friday by surviving the halfway cut for the 57th successive European Tour event, played a solid round until blocked his yard closing hole and the ball struck a tree, then landed under a rhododendron bush. With little backswing, he

matching rounds of 71.

could only chip into rough. His pitch from 55 yards finished seven feet from the hole and he missed the putL

Former Irish captain Philip Danaher will re-

place injured fullback Jim Staples for the rest of

the World Cup. Staples broke a bone in his left

hand during a mid-air collision with All Black wing Jeff Wilson late in the first half; center

Danaher originally pulled out of the squad be-

cause of business commitments, but agreed to fly

out to South Africa after a telephone call from

the manager, Noel Murphy ... Australian number eight Troy Coker pulled a hamstring during

training Sunday and may not be able to play again in the tournament, the Wallabies' coach, Bob Dwyer said. Coker will definitely miss Wednesday's match against Canada, with his

place taken by Tim Gavin . . . Romania has left said it was unintentional.

The success of top skipper

Rod Davis also depends on an extraordinary timepiece. That's why he wears his

Omega in all his exploits.

Carling Bruised in Limb

Compiled by Our Staff From Dispatches DURBAN, South Africa -Nursing bruised limbs and pride, England's captain, Will Carling, said Sunday his team

had to improve considerably after its "very poor" showing against Argentina. Carling will miss England's second match, against Italy on Wednesday, because of a badly bruised leg and ankle incurred during the 24-18 escape from an

upset Saturday. Rob Andrew kicked for all of England's points as the Pool B favorites could not score a try

and needed poor kicking by the Argentines to avoid defeat. Limping on a thickly ban-

daged left leg. Carling said the full extent of his injury would only be known when the swelling subsided, but he noted there was no need for an x-ray. More painful than the leg

was his team's uninspired performance against Argentina. Pool C opener. "I did not expect us to gel in

the first half because we have not played for so long but I pattern in the second half," Carling said. "We didn't. That is what I find so disappointing. There are no excuses.

The Pumas battled England evenly but did not take advantage of numerous chances and missed on five penalties and a

both its first-choice halfbacks, Daniel Neaga and

Neculai Nichitean, off the team for Tuesday's

match against South Africa; each had a knee injured during the loss to Canada. They will be replaced by Vasile Flutur and Ilie Ivanciuc, while injured forwards Tiberiu Brinza, Sandu Ciorascu

and Gherghe Leonte have all been named to the

side after being rated doubtful with shoulder.

ankle and neck injuries, respectively. . . . Tonga sent home Feleti Mahoni, the first player ex-

pelled from this World Cup, even though team

officials insisted he was innocent of the stomping

on French flank Philippe Benetton. A team spokesman said another player, so far unidenti-fied, had admitted he stepped on Benetton but

(AP, Reuters)

And Pride After Match quently whistled by referee Jim

Fleming of Scotland for offsides, giving Andrew his The flyhalf kicked six penalties and two drop goals, while Argentina recorded the only

two tries. The first came on a pack drive from the five-meter line with prop Patricio Noriega carrying, and the second was

by Lisandro Arbizu near the Arbizu also kicked two penalties and one conversion, on the Noriega try. But he missed three penalties, and the game ended with England desperate-

mas, who outscored the English by 18-12 in the second half. New Zealand 43, Ireland 19: In Johannesburg, Jonab Lomu scored two tries and his spectacular run set up a third in the

ly holding off the surging Pu-

The Irish held their own against the favored All Blacks the first 30 minutes, taunting them and incurring penalties for over-aggressiveness.

But when Lomu and center Frank Bunce went over a few minutes apart, the Irish never recovered. Then Lomu, the hulking young wing in his third test, broke five tackles on a run from his 22-meter line that ended just short, and flank Josh pit on the 52d lap. Kronfeld merely had to dive

Western Samoa 42, Italy 18: In East London, Brian Lima and George Harder each scored two tries as Western Samoa combined flair and power to rout Italy in the Pool B opener.

over for the try.

Shem Tatupu and Darren Kellett also scored tries for the Samoans, who used strong midfield tackling and opportunistic runs to frustrate the Italians. Kellett added three conversions and two penalties on a rainy

MONTE CARLO - Mito borrow Berger's car in an chael Schumacher took Sunattempt to improve his time. He day's Monaco Grand Prix with dropped from first to fifth on the starting grid.

another comfortable victory gained by pit-lane strategy. His Benetton-Renault crossed the finish line 34 sec-

onds ahead of Damon Hill's Williams-Renault. Gerhard Berger, in a reserve Ferrari, came in third, a minute later. Schumacher made one pit

stop, Hill two. In winning the Spanish Grand Prix two weeks ago. Schumacher also made one pit stop less than most of the

other contenders. "It was planned like that," he said. "We calculated it and ob-

riously it worked." It was Schumacher's 13th career victory, his second straight at Monaco, and it extended his lead in the driver's standings. He now has 34 points and Hill 29; Schumacher has won three

of the five races this season, Hill Hill, who got the pole position by dominating Saturday's

Villeneuve overcame one penalqualifying, was hoping to win the race his father, Graham, ty and won by another Sunday in an Indianapolis 500 that bewon five times. He was not hapgan with a crash and ended in py with having finished second. "This is a race you win and raced to victory after Scott

everyone else is runner-up," he said. "In qualifying the car was absolutely superb. In the race it was a fight. It lost something between yesterday and today."

Johnny Herbert, in the other Benetton-Renault, took fourth, more than a lap behind Schu-

Mark Blundell, who replaced Nigel Mansell in a McLaren-Mercedes this week, was fifth Sauber-Ford, sixth.

with Heinz-Harald Frentzen, in Schumacher was timed in I hour, 53 minutes, 11.258 seconds for the 78 laps on the 3.328-kilometer (2.068-mile)

Unless there is a change of heart by the U.S. Auto Club, street circuit, a total of 259,584 kilometers. He averaged 37.603 kph. The race had to be restarted after a first-turn crash involving

the Ferraris of Berger and Jean Alesi and the Williams-Renault of David Coulthard. Hill then led for the first 23 laps before he went in for his

first pit stop, which dropped him down to third. Schumacher took over first

and made his only tire and fuel stop at the end of 36 laps. That sent Alesi briefly ahead, and he turned in the fastest lap of the race just before he pitted and Schumacher went back in front.

when he collided with Martin Brundle's Ligier-Mugen. That eliminated both cars right in from of Hill. "A car turned sideways right

in front of Alesi," Hill said. "Alesi had nowhere to go." That put Schumacher 15 seconds ahead of Hill, which was extended to 36 when Hill had to

Schumacher then cruised to victory, as both he and Hill eased up in the final laps.

The first time the race went off, it was stopped after the collision between Alesi and Coulthard sent Coulthard's lision between Alesi and Coulthard sent Coulthard's Christian Fittipaldi, rookie Christian Fittipaldi, Emerson's nephew, finished second, just a second and it stopped at the entrance to the curve.

Alesi's teammate, Berger, then ran into Coulthard, causing a roadblock.

Both Ferrari drivers had to go to their backup cars. Alesi had had problems on (AP, Reuters) Saturday, too, when his car quit

back to racing at the flagstand. But as the pace car came onto

the main straightaway near the dealy up to speed and zooming past the Chevrolet Corvette on the inside as Villeneuve hit the brakes and maneuvered to keep

"By the time I was going past him, I saw the green light," Goodyear said. "That was disappointing. We were racing to the end."

The early two-lap penalty ap-peared to knock Villeneuve far out of contention, but he came back to the front using strategic

pit stops and yellow flags. In a race run without two-

time winners Al Unser Jr. and ahead of former champion Bob-by Rahal. Rookie Eliseo Salazar was fourth, followed by Robby

Six cars were eliminated on the first lap when the car driven by Stan Fox suddenly veered to the right and slammed nearly head-on into the outside wall

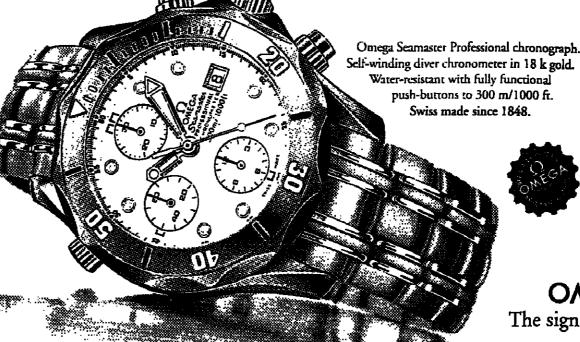








THE LINK BETWEEN EXCELLENCE AND SAILING



() OMEGA

The sign of excellence

Эu

LANGUAGE

New Wrinkles in Scheduling

high point of the Simpson

Murder Marathon occurred

criminalist, Dennis Fung:

crumpled?"

just ... defined it?"

it." Fung replied.

"No." said the witness.

There were wrinkles in

the answer the prosecutor

By William Safire

WASHINGTON "Time I Time Line for State necessary, and, worse, in-Dinner" is the title on the fax transmittal cover sheet was headed "The following is a tentative time line/ for the White House State of the First Lady? Dinner.

Time out. What is a time line? How does it compare to a time frame? How is it different from a schedule?

I shot these questions over to Michael McCurry, the president's press secretary, who - in fine bureaucratic fashion — solicited a this question to a Los Anresponse from an aide at

"Subject: Derivation of Timeline," OFL reported. 'The first lady's press office began using the term timeline in 1993, after the first state dinner hosted by the Clinton administration. The timeline is released for press planning purposes so and kind of bunched togeththat media organizations er, and wrinkled, meaning know what time to anticipate certain events.

That tells us that the term parent in it.' was this is to be written as a single word, timeline, and not two words as used in OFL press

OFL denotes: "The timeline refers to the sequence of events preceding and during the question. a state dinner. A schedule refers to the activities of the principals (i.e., Potus, Flotus, etc.)." (Potus is the acronym for the initials of President of the United States: Flotus is for First Lady of the United States).

New words find a welcome in this space, e.g., the term time frame, which is more specific than "period." But words created by had hoped for. "O.K., but bureaucrats to raise their was it folded?" 'principals' a cut above "Yes." the ordinary folk are un-

Wrinkle, the noun and verb, comes from the Old vite ridicule. Do the people English gewrinclian. "to in OFL (there's an acronym wind round, to twist," probfrom the Office of the First I'd take pains to avoid) un- ably related to wrench. A Lady. The next page to derstand the antidemocratic wrinkle is a crease, a line that come whistling through thrust of their coinage? For has been raised or indented that matter, did anybody on a surface by contraction is a tentative time line/ think of the meaning of of- or puckering. On skin, it is schedule of press coverage fal when titling the Office usually unwelcome, though Shakespeare wrote: "With mirth and laughter let old wrinkles come"; most ref-

For synonymists, the erences are pejorative. At the Blue Ridge Factory Outlets, in Martinswhen Deputy District At-torney Hank Goldberg picked up a pair of pants pointed to a plastic bag with from J. Crew labeled "wrinan envelope inside and put kle resistant"; at the Ralph Lauren outlet, I bought a jacket with the label progeles Police Department claiming the garment was

"Now, sir, I want to ask "guaranteed to wrinkle." you about the condition of Crumple, from the Mid-that item when you first dle English crump and reopened it up on the witness lated to crimp and cramp, stand and saw it. And dis- means "to bend, to press into small folds," sometimes with a sense of destruction: tinguishing between the word crumpled, as in 'an item that's folded in on itself in Ben Jonson's 1606 play, "Volpone," a character warns, "He will crump you like a hog-louse." In more 'an item that may be folded but has creases that are aprecent slang, to crump means "to fold, to give up."
To crumple is "to fold

According to the New haphazardly"; to wrinkle is York Times account, Judge "to make a crease in," often Lance Ito "winced" at this, but when the defense obby crumpling. The difference is illustrated in this jected, the judge overruled 1711 line from Addison's the objection and allowed Spectator No. 130 about for-"When you brought it tune-tellers: "My friend Sir out for the first time on the Roger alighted from his witness stand," the prose- horse, and exposing his palm (Potus is the cutor continued, "was it to two or three that stood by him, they crampled it into all shapes, and diligently scanned every wrinkle that "Was it wrinkled, as I've could be made in it."

(folding) Crumpling causes wrinkling (creasing), Apparently that was not not the other way around.

Mirror for Today: David Gill's Eclectic Mix

By Suzy Menkes

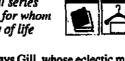
ONDON --- The gilded chest of drawers has funky bronze feet — as though it might patter off across the floor to commune with other objects: the shimceramic vase printed with subversive messages; or the neoprimitive cushion with punk-style raffia fringe.

Everything in David Gill's London gallery is so exceptional that it is difficult to see how the overall effect is so harmonious. Yet furniture by Mattia Bonetti and Elizabeth Garouste goes just fine with the Cocteau plate, the Bérard drawing. Aldo Mondino's painting and Grayson

Perry's eccentric vases.
"I like contemporary things with an eye for tradition - and my point of view

Tastemakers

An occasional series about people for whom style is a way of life



links it all," says Gill, whose eclectic mix of art objects makes him an original voice in interior design.

Since Gill opened the impeccable white-walled space at 60 Fulham Road, West London, in 1987, his design eye and

sure taste have become legendary.

Formerly in the Modern and Old Masters department at Christie's auction house, Gill picked Garouste and Bonetti as they started out; he plucked the veteran French designer Line Vautrin from ob-scurity, showed her whimsical metal objects in Tokyo with Comme des Garçons, and will mount a Vautrin exhibition at Bergdorf Goodman in New York in June. Gill says he began with classic design

"to reassure everyone that I knew what I was doing." But the gallery's concept was always to introduce new artists who might create future classics. His quest is to select them in order "to put them up there." He remembers his first encounter with

Garouste and Bonetti's barbaric "Prince Imperial" chair in painted wood with

up the chair. It reminded me of the imagination of Gauguin when he went and painted nature."

The current exhibition shows how the design due has matured, offering a practical and stylish red leather chair with laced seams; the dazzlingly reflective silmering silver cabinet; the radically chic ver cabinet; and two merry dancing-figure

candlesticks that Gill admires because "everyone was doing straight candlesticks in aluminium." The objects in Gill's gallery are mostly in limited editions — say, 30 for the candlesticks, 10 for a major piece of furniture, or until the artist has had enough, in

es as heads with upstanding crowns of thoms. The skill is in the selection of the artists for whom acceptance by Gill is like an international stamp of approval.

the case of Oriel Harwood's baroque vas-

The gallery increasingly does exhibi-tions in other countries and its owner has become a tastemaker of postmodern design, with discreet connoisseurs or highprofile clients like Mick Jagger and Paloma Picasso.

Gill, with a Franco-Spanish mother and Dutch father, was brought up in Barcelona.

His studies at London University led to a thesis on "The Age of Baroque." He recognizes the cross-cultural influences of periods spent in Paris and of his knowledge of art history and says he lives "m a

global world in my mind."
When I look at the present day, it is like looking at a mirror with the knowledge of the past — I am looking for new forms and new materials," he says.

In his gallery, Gill has created an en-vironment in which designers can grow and develop. 'What is important is interacting,' he

"You don't go to an artist and say 'let's show.' You make decisions together more like artist and patron.

just the starting point of a future collaboration with an Argentine artist. And says that the silversmith Richard Vallis "gave something of himserf that I had not imposed but suggested' in a three-year working relationship that started when the artist sent a picture on a postcard.



He cites a Dalf-esque red lips stool as David Gill, in his London gallery: A legendary eye and taste for design.

of his clients, a minimalist temple, finding 1935, a Garouste and Bonetti dining table their homes sometimes "too much like for Editions David Gill and a 1991 paint-

Gill took a Victorian house, focused on the basic structure, removed the decorative

ing on glass by Aldo Mondino.

......

-:-::::=

'My view is not a narrow view that you cannot put a modern chair in a baroque straw "skirt."

What about his own home? Gill admits comices and gathered "combinations of interior," says Gill. "You have to treat a building from its basic structure, taking chair," he says. "But in that I saw the imagination of two artists who could think

What about his own home? Gill admits comices and gathered "combinations of interior," says Gill. "You have to treat a building from its basic structure, taking mean something to me." They include what it has to offer you. Then what you put bookcases designed by Syrie Maugham in that building is your soul."

WEATHER Forecast for Tuesday through Thursday, as provided by Accu-Weather. Today High Low W High Low R CF CF CF CF 27:60 19:60 9 29:62 19:66 5 18:64 11:62 1 17:2 11:52 c 27:80 16:57 pc 29:64 14:57 p 28:62 18:64 5 28:62 18:64 5 25:77 19:61 5 23:73 14:57 a 28:62 18:61 pc 28:73 14:57 a 21:70 9:46 1 18:64 9:48 pc 21:70 9:46 1 18:64 9:48 pc 21:70 9:46 1 18:64 19:48 pc 21:70 9:46 19:46 19:46 19:46 19:46 19:48 pc 22:71 13:55 8:48 pc 23:64 19:48 pc 23:67 18:66 pc 23:71 12:53 1 21:70 10:50 pc 23:71 18:56 pc 23:77 18:61 pc 23:77 18:61 pc 23:77 18:61 pc 23:77 18:63 pc 23:77 18:70 20:76 pc 23:77 18:70 20:77 pc 23:77 18:70 20:77 pc 23:77 18:70 20:77 pc 23:77 18:70 20:77 North America Heavy rains will pour from strong thunderstorms over Texas to Miscouri, and Europe with wind, will wet much of France and Germany to northern Italy. In and near the Alps heavy rains could fall. Also cool but with some sun and spotty nains will be UK to northern France. Western Russis will be warm, even hot, with plending sunshing. ahowery weather will begin at midweek near the western Great Lakes. Tuesday, showers at Montreal and Toronto to Philadelphia through Boston will yield to



POSTCARD

A Feud Splits Owners of New York's Toniest Park

By Douglas Martin New York Times Service

NEW YORK — For more than 150 years, Gramercy Park has existed as a genteel island of leafy exclusivity in an edgy city. But genteel is hardly the word to describe the escalating battle between property owners and trustees over the care, the design and the look of the city's best-

ica's Bloomsbury" in tribute to its artistic residents, that the distinguished denizens a lovely two-acre urban casis surrounded who reside in the surrounding 19th-century townhouses are snarling at one another.

On one side of the battle is the Gramercy Park board's chairman, Sharon S. Benenson, a lifelong gardener, director of the Horing a campaign for a \$754,132 restoration of the park, including the removal of trees she says are diseased, dying and dangerous.

On the other side is an eclectic, in- bard at The Players Club (across the street fluential, intensely pro-tree bunch. They from the park). In issuing the March prunstepped in front of a chain saw last spring to from "A Tree Grows in Brooklyn. school and writes and meditates in the park, Benenson from their club.

Caught in the middle, is Gramercy Park, by a locked iron fence.

Two lawsuits have been filed, the opposition lot owners incorporated this month and there has been no shortage of legal maneuvering on either side. One ticultural Society of New York. She is wag- , small example: In March, the opposition

include the writer Janet Malcolm, who ing injunction the judge began by quoting

prevent the cutting down of two Siberian How bad is it? Members of the National elms; the actress Julia Roberts, who has How bad is it? Members of the National been spotted at anti-cutting protest meetings; Maria Hanson, the celebrity crime ranged from Teddy Roosevelt to Martin victim who recently graduated from film Scorsese, are threatening to expel Mrs.

known private park.

The fight has grown so nasty in the neighborhood, which calls itself "Amernuts for the park's plump squirrels.

and Paul Bernston, an 81-year-old retired executive who spends \$550 a month on nuts for the park's plump squirrels.

The immediate cause of the brouhaha executive who spends \$550 a month on nuts for the park's plump squirrels.

The immediate cause of the brouhaha executive who spends \$550 a month on nuts for the park's plump squirrels. Mrs. Benenson, the chairman of the park's board of trustees, all of whom govern for

Owners of neighboring buildings, crying aboricide, were furious they were not consulted about the tree cuttings

The tone has grown quite personal. 'She came in like a little church mouse. got a restraining order prohibiting pruning anything in the park. Sometimes it seems tional Arts Club and a member of the everyone is playing a role drafted by some opposition. "Now, she's an attack rat."

He's singing Happy Birthday in his sleep. Half a world away, his little one hears it. No. it's not telepathy...

ASTA/PACIFIC 888-1111 008-117 001-881-10 8039-111

MACAO.

NEW ZERLAND, (in) 911 PHILIPPINES' 185-11 235-2872 SAIPAN! SINGAFORE 800-0111-111 3fd Lifting 130-430 0080 - 10288 - 0 PHARAID 9019-991-1111 009-11 .0880-111 8:14111

BULGARIA . CROATIATO CZECH REPUBLIC 00-429-98101 GREECE"

08-1208-0010 IREL AND ..99-365-0111 STALY-**LECHIENSTEIN** 2001-0810 19-8011 B138-0010 FYR MACED 00-800-1311

200-190-11 04010-488-8111 05917-1-288 81-800-4288 0117-028-0000 190-0011 SWITZERLAND

MIDDLE EAST

AMERICAS 001-800-200-1111 .8-800-1112 .880-8010 1-23-0-0311 COLOME 980-11-021 EL SALVADOR HONDURAST

.80-811-129 98131 88-111-11

AT&T USADirect® and World Connect® Service lets you record a message that II get tbrough at the right time.

It's 4 a.m. here and 8 p.m. back home. Here's how to be the hit of the party. Simply record a personal message that will be delivered whenever you want, to just about any phone in the world. Use the AT&T Access Numbers below. They're the same ones you use to call the U.S. and over 190 other countries. Dial the access number for the country you're in and ask the Englishspeaking operator for our voice message service. Rest assured, it's that simple. And charging the call to your AT&T Calling Card helps minimize hotel surcharges. So next time you have to make a call in the middle of the night, do it the best way possible. In your sleep

True\Vorld*Connections

€.



not the line of the colling to another to the line of Will World Contact. Price of the line of the plant of the colline of the